

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**Investigation by the Department on its own motion as)
to the propriety of the rates and charges set forth in)
the following tariff: M.D.T.E. No. 14, filed with the) D.T.E. 06-61
Department on June 16, 2006, to become effective July)
16, 2006, by Verizon New England, Inc. d/b/a Verizon
Massachusetts**

REBUTTAL PANEL TESTIMONY

OF

**AUGUST H. ANKUM, PH.D.
WARREN R. FISCHER, C.P.A.**

EXHIBIT AA/WF-3

Restated Avoided Cost Study

AVOIDED COST / RESALE DISCOUNT STUDY - 2005 EXPENSES

MA State

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<u>WP #</u>	<u>Short Descriptor</u>	<u>Description</u>
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Revenue by Sub- account	VZ-MA's 2005 Revenue by Sub-account	Sub-account revenue used to adjusted denominator in avoided cost discount calculation
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WP3	Avoided Expense and % By Account	Detailed Avoided Expenses and Percents by Account calculated in WP5 through WP8.
Expense by Sub- account	VZ-MA's 2005 Expense by Sub-account	Sub-account expenses used to analyze accounts for avoided costs
WP4	Avoided Percent Testing - Acct 6533	Avoided Percent calculation of Testing expenses.
WP5	Avoided Percent - Acct 6611	Avoided Percent calculation of Product Management expenses.
WP6	Avoided Percent Sales - Acct 6612	Avoided Percent calculation of Sales expenses.
WP7	Avoided Percent Customer Serv - Acct 6623	Avoided Percent calculation of Customer Services expenses including Billing Operations (Bill Processing)
ARMIS 43-03	VZ-MA's 2005 ARMIS 43-03 Report	VZ-MA's 2005 regulated and non-regulated revenue and expense by account

CLEC COALITION ADJUSTMENTS TO VERIZON MASSACHUSETTS' AVOIDED COST STUDY

ADJUSTMENT NO.	WORKPAPER / TABS	DESCRIPTION
1	WP2, Revenue, WP3, Avoided Exp by Acct Revenue by Sub-account; WP2,	Remove intrastate percentages from revenue subject to resale and avoided expenses due to non-jurisdiction distinction in FCC's resale rules.
2	Revenue	Identification of revenue by sub-account that is not subject to resale.
3	Revenue by Sub-account; WP2, Revenue	All adjustments in Adjustment No. 1 + exclusion of operator service revenue for discount calculation reflection non-use of Verizon MA operator services.
4	WP6, Sales Acct 6612	100% of Sales expenses is considered avoided based upon Verizon's position in the Virginia arbitration that they reflect costs incurred performing functions related to selling products and services directly to retail customers (VZ VA Panel Direct, p. 346).
5	WP7, CustServ & Bill Acct6623	Retail percentage reported in ARMIS 43-03 for Customer Services (account 6623) should be used (93%).
5A	WP7, CustServ & Bill Acct6623	If the DTE does not require VZ-MA to use 93% for an avoided cost factor for Customer Services (account 6623), two reclassification adjustments are required in VZ-MA's sub-account level expenses.
6	Expense by Sub-account, WP3, Avoided Exp by Acct	Calculates the portion of Office Equipment (Account 6123), Human Resources (Account 6723), and General & Administrative (Account 6728) that are associated with avoided direct costs.
7	Avoided Exp by Acct	Calculates the portion of avoided General Purpose Computer expense based upon analysis done for the Verizon Virginia avoided cost study.
8	Expense by Sub-account, WP3, Avoided Exp by Acct	Calculates the portion of Executive costs in Account 6711 that are associated with avoided Sales (Account 6612) and Customer Service (Account 6623).

AVOIDED COST / RESALE DISCOUNT STUDY - 2005 EXPENSES
Retail Avoided by Account Summary
MA State
(\$000's)

				USING VERIZON OPERATORS			NOT USING VERIZON OPERATORS		
Line	Account	Account Description	Regulated Intrastate Amount D=WP2, WP3	Avoided Amount E=WP3, WP8	% Avoided F=E/D	Discount Percentage G = E/D, Row 11	Avoided Amount H=WP3, WP8	% Avoided I = H/D	Discount Percentage G = H/D, Row 11
A	B	C	D=WP2, WP3						
11	5XXX	Revenue (with Verizon Operator)	\$ 1,283,527						
12	5XXX	Revenue (without Verizon Operator)	\$ 1,274,888						
14	6123	Office Equipment	\$ 5,224	\$ 1,095	20.97%	0.09%	\$ 1,095	20.97%	0.09%
15	6124	General Purpose Computers	\$ 45,783	\$ 20,776	45.38%	1.62%	\$ 20,776	45.38%	1.63%
16	6533	Customer Repair Center Testing	\$ 39,157	\$ 5,673	14.49%	0.44%	\$ 5,673	14.49%	0.44%
17	6611	Product Line Management	\$ 40,414	\$ 8,498	21.03%	0.66%	\$ 8,498	21.03%	0.67%
18	6612	Marketing Sales	\$ 46,810	\$ 46,810	100.00%	3.65%	\$ 46,810	100.00%	3.67%
19	6220	Operator Systems	\$ 197	\$ -	0.00%	0.00%	\$ 197	100.00%	0.02%
20	6621,6622	Call Completion/Number Svcs.	\$ 46,424	\$ -	0.00%	0.00%	\$ 46,424	100.00%	3.64%
21	6623	Customer Services & Billing	\$ 188,615	\$ 175,412	93.00%	13.67%	\$ 175,412	93.00%	13.76%
22	67110500	Exec Exp-Marketing Operation-C	\$ 240	\$ 240	100.00%	0.02%	\$ 240	100.00%	0.02%
23	67111500	Exec Exp-Customer Services-C	\$ 14	\$ 13	93.00%	0.00%	\$ 13	93.00%	0.00%
24	6723	Human Resources	\$ 23,310	\$ 4,888	20.97%	0.38%	\$ 4,888	20.97%	0.38%
25	6728	General & Administrative	\$ 194,453	\$ 40,774	20.97%	3.18%	\$ 48,815	25.10%	3.83%
26	Total (Sum of Lines 14 - 25)		\$ 630,641	\$ 304,180	48.23%	23.70%	\$ 358,842	56.90%	28.15%
AS FILED BY VERIZON MA			\$ 264,103	\$ 155,006	58.69%	11.94%	\$ 190,942	72.30%	14.71%


AVOIDED COST / RESALE DISCOUNT STUDY - 2005 EXPENSES
 Regulated Intrastate Revenues
 MA State
 (\$000's)

Line #	Account	Description	Amount (as filed by Verizon)	Amount (adjusted by CLEC Coalition)	Regulated %	Intrastate %	Regulated Intrastate Revenues
A	B	C	D	E	F	G = D*E*F	
WITH VERIZON OPERATOR SERVICES			ADJUSTMENT NO. 2			ADJUSTMENT T NO. 1	
9	5001, 5002, 5010, 5040, 5050, 5060	BASIC LOCAL SERVICES	(1,070,270)	(1,050,447)	100%	100.00%	\$ (1,050,447)
10	5100, 5111, 5112, 5121 thru 5128, 5160	TOLL NETWORK SERVICES	(207,736)	(207,736)	100%	100.00%	\$ (207,736)
11	5230 Regulated, 5261, 5262	MISCELLANEOUS	(32,243)	(25,344)	100%	100.00%	<u>\$ (25,344)</u>
TOTAL REVENUE SUBJECT TO RESALE (Ln 9 through Ln 11) (with Operator)							\$ (1,283,527)
WITHOUT VERIZON OPERATOR SERVICES			ADJUSTMENT NO. 3				
16	5001, 5002, 5010, 5040, 5050, 5060	BASIC LOCAL SERVICES	(1,070,270)	(1,041,808)	100%	100.00%	\$ (1,041,808)
17	5100, 5111, 5112, 5121 thru 5128, 5160	TOLL NETWORK SERVICES	(207,736)	(207,736)	100%	100.00%	\$ (207,736)
18	5230 Regulated, 5261, 5262	MISCELLANEOUS	(32,243)	(25,344)	100%	100.00%	<u>\$ (25,344)</u>
TOTAL REVENUE SUBJECT TO RESALE (Ln 16 through Ln 18) (without Operator)							\$ (1,274,888)

Source for Total Revenue - 2005 GAAP General Ledger (see tab Att. II CLEC 1-10 (subaccount))

Source for % Intrastate - 2005 ARMIS 43-04 Report

SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

		Verizon Massachusetts		Last update:	<u>Time</u>	<u>Time</u>		
		Reg Account Trial Balance		S_ACTUALS	20:01	20:01		
		Period 12 - 2005-12-01, 2005		S_USOA	20:01	20:01		
		All Basis		S_STATE	20:01	20:01		
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA			ADJUSTMENT NO. 2	ADJUSTMENT NO. 3
					Included in WP2 by Verizon by WP2 Line #	Included by CLEC Coalition by WP2 Line # (with Operator)	Included by CLEC Coalition by WP2 Line # (without Operator)	REASON FOR EXCLUSION OF REVENUE FROM CLEC COALITION RE-STATEMENT OF STUDY
Account #	GAAP Basis		Ending Balance	Ending Balance				
REVENUES	Reg Account Description							
50010000	Local Service Revenues		(722,339,006.82)	(722,339,006.82)	9	9	16	
50010001	Adv Pub Swtch Ntk Serv. - Bus.		(26,148,834.12)	(26,148,834.12)	9	9	16	
50010004	Msg Chrgs Billed to other Cos		1,022.37	1,022.37	9	9	16	
50010009	Other Cellular		5,556.13	5,556.13	9			Not local exchange subject to resale.
50011400	TBR Disc Plan -Debit		1,145,300.09	1,145,300.09	9	9	16	
50012410	Pub Ntwk-NRecur-Addtnl Lines		127,461.81	127,461.81	9	9	16	
50012430	Oth Promo Disc-Save Winback		30,600.00	30,600.00	9	9	16	
50015100	Pub Tel Accs Ln to IPPS-Recr		(6,661,949.96)	(6,661,949.96)	9			Per Verizon MA DTE 14, Section 5.3.1.A.1, PAL and PASL services are not available for resale.
50015200	Pub Tel Accs Ln to IPPS-Nonrc		(834.18)	(834.18)	9			Per Verizon MA DTE 14, Section 5.3.1.A.1, PAL and PASL services are not available for resale.
50015300	No description available		(81,598.10)	(81,598.10)	9			No description of revenue. Cannot be assumed it is subject to resale.
50016100	Interco Bas Sv Rev		(3,268,545.36)	(3,268,545.36)	9			Intercompany revenue is not subject to resale consistent with VZ's exclusion of revenue in account 50403100
50019999	PS Jounralized Errors		(22,491.87)	(22,491.87)	9	9	16	
50031100	Cell Mob II Incn Car Com Line		(20,771,803.30)	(20,771,803.30)				Already excluded by Verizon
50040000	Other Mobile Service Revenue		(2,321.86)	(2,321.86)				Already excluded by Verizon
5040100A	Loc Pvt Ln Rev Subvoice Grade		(2,570,349.49)	(2,570,349.49)	9	9	16	
5040100B	Loc Pvt Ln Rev Voice Grade		(4,449,326.05)	(4,449,326.05)	9	9	16	
5040100I	Oth Loc Pvt Ln Rev - Other		330,700.01	330,700.01	9	9	16	
5040100K	Interxch Sp Serv- Vc Grade Srv		(21,749.64)	(21,749.64)	9	9	16	
5040100M	Interxch Sp Srv - Dig Data Srv		(21,377.86)	(21,377.86)	9	9	16	
5040100O	Collocation Rec/Non Recurring		(50,343.05)	(50,343.05)	9			Collocation revenue is not subject to resale
5040150A	Loc Pvt Ln Rev		(59,108.32)	(59,108.32)	9	9	16	
5040251A	Loc Pvt Ln Rev - Dgt Trns-LPDN		(41,191,425.72)	(41,191,425.72)	9	9	16	
5040251C	Loc Pvt Ln Rev - Dgt Trns-Oth		(20,800,236.29)	(20,800,236.29)	9	9	16	
50403100	Interco Loc PL Rev		(1,825,628.24)	(1,825,628.24)				This appears to be excluded by Verizon
50406500	Lcl Priv Line -Infospd Digital		(1,066.55)	(1,066.55)	9	9	16	
5050100A	Cust Prem Station Apparatus		9,010.13	9,010.13	9	9	16	
5060100A	Oth Loc X Rev - C0 Features		(188,411,545.79)	(188,411,545.79)	9	9	16	
5060100B	Oth Loc X Rev - Promo Disc-VAS		222.70	222.70	9	9	16	
5060300A	Oth Loc X Rev - Directory Asst		(8,639,111.00)	(8,639,111.00)	9	9		Should at least be excluded from calculation of discount when VZ Operator Services are not used.


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10




Verizon Massachusetts
 Last update: Time
Reg Account Trial Balance S_ACTUALS 20:01 20:01
Period 12 - 2005-12-01, 2005 S_USOA 20:01 20:01
All Basis S_STATE 20:01 20:01

CB81 PSUM	Dollars & Cents	Final	GAAP	USOA		ADJUSTMENT NO. 2	ADJUSTMENT NO. 3	
					Included in	Included by CLEC	Included by CLEC	REASON FOR EXCLUSION OF
	GAAP Basis		Ending	Ending	WP2 by Verizon	Coalition by WP2 Line	Coalition by WP2 Line	REVENUE FROM CLEC COALITION
Account #	Reg Account Description		Balance	Balance	by WP2 Line #	# (with Operator)	# (without Operator)	RE-STATEMENT OF STUDY
								Should at least be excluded from
50603810	Wireless Directory Assistance		(9,764,845.41)	(9,764,845.41)	9			calculation of discount when VZ Operator
50605140	Oth Loc Exch-Srchg-Svc Prov Tx		130.70	130.70	9	9	16	Services are not used.
50606110	Oth Loc X Rev-ADPROOF-VZ Info		4,296.24	4,296.24	9	9	16	
50608100	Nonrecurring Basic Area Rev		(33,622,648.29)	(33,622,648.29)	9	9	16	
5060900A	Oth Loc X Rev - Other		(2,911,794.97)	(2,911,794.97)	9	9	16	
5060900B	Oth Loc X Rev-Surcharge Rev		(855,334.73)	(855,334.73)	9	9	16	
5060900C	Oth Loc X Rev-Unison Conv		(30,556.68)	(30,556.68)	9	9	16	
50691000	Oth Loc Rev - Other		(92,140.32)	(92,140.32)				
5081120A	End User Cntrx Rec AF 7/27/83		(80,503,086.53)	(80,503,086.53)				
50811500	Revenue		(4,119,411.72)	(4,119,411.72)				
5081200A	End User Revenue		(131,166,640.36)	(131,166,640.36)				
50812200	EUR-RESIDENTIAL NON-PRIMARY		(16,428,826.08)	(16,428,826.08)				
50813000	End User Sp Access Serv		(88,427.73)	(88,427.73)				
50814100	Fed Ln Chg-Prim Res		22.60	22.60				
5081410A	EU Common Line-Fed USF-Prmry		(14,090,630.29)	(14,090,630.29)				
50814200	Fed Ln Chgs - Non-Primary Res		145.00	145.00				
5081420A	EU Comm Line-Fed USF-Non Primy		(1,776,970.05)	(1,776,970.05)				
50814300	Fed Ln Chgs - Single Line Busn		(11.20)	(11.20)				
5081430A	EU Comm Line-Fed USF-Sngle Ln		(821,998.67)	(821,998.67)				
5081440A	EU Comm Ln Chrgs-Fed USF-Multi		(5,577,779.25)	(5,577,779.25)				
50814500	Fed Ln Chgs - Centrex		45,525.01	45,525.01				
5081450A	EU Comm Ln Chrgs-Fed USF-Cntrx		(563,327.48)	(563,327.48)				
50814700	Acc-EU-Fed Ln Chg-SA EU		(20,494,324.26)	(20,494,324.26)				
50814810	Fed USF Surcharge-PBX		(994,662.55)	(994,662.55)				
50814910	Fed USF Surcharge-Other		(47,947.55)	(47,947.55)				
50816100	End User Revenue - L. N. P.		(1,760,798.26)	(1,760,798.26)				
50816120	E.U. Rev - L.N.P.-Unbundled		(178,752.66)	(178,752.66)				
5081900A	End User Revenue Other		(502,972.56)	(502,972.56)				
50822100	SWAR-Carr Com Ln Premium		11,594.86	11,594.86				
50822400	SWAR-LNP Surch for FGA		29.17	29.17				
50824100	SWAR-Loc Swtch 1 Featr Gp A&B		(14,255,206.34)	(14,255,206.34)				
50824200	SWAR-Loc Switch 2 Featr Gp C		18,798,151.92	18,798,151.92				
50824300	SWAR-Loc Switch 2 Featr Gp D		(38,159,340.98)	(38,159,340.98)				
50824910	End off Srv/Ftrs-Prc Cp Ex Srv		(2,717,447.29)	(2,717,447.29)				
50824990	End Office Serv/Ftrs - Other		(4,950,325.10)	(4,950,325.10)				
50826110	SWAR-Svc Call & Access Rev		(296.20)	(296.20)				
50826430	SWAR-Info-LNP Last Resort		(244,988.81)	(244,988.81)				
50827100	SWAR-Loc Trnsprt- Featr Gp C&D		(6,346,461.95)	(6,346,461.95)				
50827200	SWAR-Loc Trnsprt-Ded Transport		(308,198.03)	(308,198.03)				


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

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		Reg Account Trial Balance		S_ACTUALS	20:01	20:01			
		Period 12 - 2005-12-01, 2005		S_USOA	20:01	20:01			
		All Basis		S_STATE	20:01	20:01			
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA	ADJUSTMENT NO. 2		ADJUSTMENT NO. 3		REASON FOR EXCLUSION OF REVENUE FROM CLEC COALITION RE-STATEMENT OF STUDY
					Included by CLEC Coalition by WP2 Line # (with Operator)	Included by CLEC Coalition by WP2 Line # (without Operator)			
Account #	GAAP Basis Reg Account Description	Ending Balance	Ending Balance	Included in WP2 by Verizon by WP2 Line #					
50827250	SWAR-Loc Trnsprt-Entr Facility	(6,450,558.89)	(6,450,558.89)						
50827260	SWAR-Loc Trnsprt-Entr Facility	(4,173,625.10)	(4,173,625.10)						
50827800	SWAR-Loc Trns Tandum Switch	(8,956,374.89)	(8,956,374.89)						
50829400	SWAR - Miscellaneous	(569,049.25)	(569,049.25)						
50829900	SWAR-Other	(5,933,395.49)	(3,410,929.21)						
50829910	SWAR-Lifeline Ctn Asstnce Prgm	(9,593,473.50)	(9,593,473.50)						
5083100C	Voice Grade Services-Other	(4,124,638.28)	(4,124,638.28)						
50832900	Voice Grade Services - Other	(11,220.24)	(11,220.24)						
50833100	SPAR-Prgrm Grade Svcs-Audio	(486,366.97)	(486,366.97)						
50833200	SPAR-Prgrm Grade Svcs-Video	(64,703.98)	(64,703.98)						
50833250	SPAR-Prgrm Grade Svcs-Video	(2,892,196.56)	(2,892,196.56)						
5083518A	LAN Extension Svc	(38,200.00)	(38,200.00)						
50835190	SPAR-Digital Data Svcs-Other	(6,299,458.46)	(6,299,458.46)						
5083520A	SPAR-Dig Data Svcs-Hi Cap Svc	(69,885,744.11)	(69,885,744.11)						
5083520D	SPAR-Dig Data Svcs-Hi Cap Svc	(136,802,616.74)	(136,802,616.74)						
5083520S	Revenue	(1,009,808.71)	(1,009,808.71)						
5083520T	Hi Cap Svc-TIS Collocation CC	(182,528.78)	(182,528.78)						
50835300	SPAR - High Cap Svc - ADSL	(73,647,295.80)	(73,647,295.80)						
50835400	SPAR-Virtual Network Svcs	(1,674,981.52)	(1,674,981.52)						
50835500	Revenue	171,518.69	171,518.69						
50836000	SPAR-WATS Access Line Service	(410,993.58)	(410,993.58)						
50839100	revenue	(1,168,177.61)	(1,168,177.61)						
5083910A	SPAR - Packet Data Services	(140,739,917.42)	(140,739,917.42)						
50839900	SPAR - Other	(369,196.47)	(369,196.47)						
5084230A	SSAR E U Switched Acc Svc--PICC	50.00	50.00						
50842410	SSAR Loc Swtch 1 FG A&B	(21,658.85)	(21,658.85)						
50842420	SSAR Loc Swtch 2 FG C	(630,958.99)	(630,958.99)						
50842430	SSAR Loc Swtch 2 FG D	(7,237,354.73)	(7,237,354.73)						
50842610	SSAR Information Gross Rev	145.64	145.64						
50842720	SSAR Loc Trns Dedicated Trns	(1,960,112.33)	(1,960,112.33)						
50842730	SSAR Loc Trns Com Trns FG A&B	(4,476,885.70)	(4,476,885.70)						
50842990	SSAR Oth SWAR Other	(768,249.89)	(768,249.89)						
50845510	revenue	(362,561.96)	(362,561.96)						
50846100	STAR-CLEC - Reciprocal Arngmnt	(9,333,345.05)	(9,333,345.05)						
5100110A	Long Distance Message Revenue	(42,125,779.75)	(42,125,779.75)	10	10		17		
5100110B	Long Distance Message Revenue	(847,225.34)	(847,225.34)	10	10		17		
5100110D	TBR Disc Pln -Debit	184,717.62	184,717.62	10	10		17		
5100151N	LDMR Org COCOTS Enrolled NSP	(17,568.90)	(17,568.90)	10	10		17		
5100181A	LDMR Net Sttle Other	(211,606.78)	(211,606.78)	10	10		17		
5100199A	LDMR Other	(2,768,553.60)	(2,768,553.60)	10	10		17		
5100300A	LDMR Toll Calling Plan	(120,867,077.67)	(120,867,077.67)	10	10		17		


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

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		Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01			
		All Basis	S_STATE	20:01	20:01			
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA	ADJUSTMENT NO. 2	ADJUSTMENT NO. 3	REASON FOR EXCLUSION OF REVENUE FROM CLEC COALITION RE-STATEMENT OF STUDY	
					Included by CLEC Coalition by WP2 Line # (with Operator)	Included by CLEC Coalition by WP2 Line # (without Operator)		
Account #	GAAP Basis Reg Account Description	Ending Balance	Ending Balance	Included in WP2 by Verizon by WP2 Line #				
51007400	Revenue	(3,673,742.03)	(3,673,742.03)	10	10	17		
51007900	Revenue	(1,197,153.09)	(1,197,153.09)	10	10	17		
5111100A	LD Inward Only	(2,468,228.38)	(2,468,228.38)	10	10	17		
5111180A	LD Inward Only - Net Settlements	(420.00)	(420.00)	10	10	17		
5112100A	LD Outward Only	58.48	58.48	10	10	17		
5121100A	LD Pvt Ntw Rev Sub-Voice Grd	(392,219.19)	(392,219.19)	10	10	17		
5122100A	LD Pvt Ntw Rev Voice Grd	(9,730,439.69)	(9,730,439.69)	10	10	17		
5125100A	LD Pvt Ntw Rev Digt Trm	(20,412,730.30)	(20,412,730.30)	10	10	17		
5129100A	Oth LD Pvt Ntw Rev Settlements	(25,336.53)	(25,336.53)					
5160100A	Oth LD Rev - Direct Assist	(3,136,192.29)	(3,136,192.29)	10	10	17		
5160101A	Other Long Distance Revenue	192.16	192.16	10	10	17		
51605300	DCP Srchg Rev - OTHER	(71,921.39)	(71,921.39)	10	10	17		
5230910A	NR DA Oth Dir Rev Non-Std Lst	(24,850,995.61)	(24,850,995.61)	11	11	18	Revenue for nonlisted, nonpublished numbers or additional listings	
52309310	Drty Pub List-DSI	(116,910.24)	(116,910.24)	11	11	18		
52309320	Ind Pub Listings	(106,237.38)	(106,237.38)	11	11	18		
52309330	Mktg List-DSI	2,329.30	2,329.30	11	11	18		
52309340	Dir Oth- CLEC Whlsale Listings	(5,768,518.80)	(5,768,518.80)	11			This is already wholesale revenue	
52309950	Directory Revenue-Other	975.91	975.91	11	11	18		
5240100A	ICC-Vz-District of Columbia	(1,198.11)	(1,198.11)					
5240100B	ICC-Vz-Maryland Inc.	(14,144.39)	(14,144.39)					
5240100C	ICC-Vz-Virginia Inc.	(12,495.04)	(12,495.04)					
5240100D	ICC-Vz-West Virginia Inc.	(6,381.68)	(6,381.68)					
5240100E	ICC-Vz-Pennsylvania Inc.	(22,336.41)	(22,336.41)					
5240100F	ICC-Vz-Delaware Inc.	(4,432.64)	(4,432.64)					
5240100G	ICC-Vz-New Jersey Inc.	(16,040.91)	(16,040.91)					
5240100H	ICC-Vz-Services Corp.	(17,822,630.64)	(17,822,630.64)					
5240100J	ICC-Vz-New England Inc.	(5,989,138.23)	(5,989,138.23)					
5240100K	ICC-Vz-New York Inc.	(2,021,855.46)	(2,021,855.46)					
524011AO	ICC-Vz-North Inc.	(36.11)	(36.11)					
524011AY	ICC-Vz-California Inc.	(67.05)	(67.05)					
524011AZ	ICC- VZ Discontinued Opertns	(1,035,060.31)	(1,035,060.31)					
524011BA	ICC-Vz-Florida Inc.	(30.95)	(30.95)					
524011BD	ICC-Vz-Southwest Inc.	(15.48)	(15.48)					
524011BF	ICC-Vz-Northwest Inc.	(41.26)	(41.26)					
52402400	Rent Revenue-Outside Plant	(4,585,414.37)	(4,585,414.37)					
5240700L	Whlsale-Rent-UNE Pltfrm-UNE	(72,958,836.47)	(72,958,836.47)					
5240700M	Whlsale-Rent-UNE Pltfrm-PAL	(186,111.23)	(186,111.23)					
5240700N	Whlsale-Rent-UNE Pltfrm-Coin	1,804.17	1,804.17					
5240700O	Nrcr-Repr Tickt Chg-UNE-P	(804,437.08)	(804,437.08)					
5240700P	UNE-P DA and OS	(2,322,620.41)	(2,322,620.41)					


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

		Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>			
		Reg Account Trial Balance	S_ACTUALS	20:01	20:01			
		Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01			
		All Basis	S_STATE	20:01	20:01			
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA				
					ADJUSTMENT NO. 2		ADJUSTMENT NO. 3	REASON FOR EXCLUSION OF REVENUE FROM CLEC COALITION RE-STATEMENT OF STUDY
					Included by CLEC		Included by CLEC	
					Coalition by WP2 Line		Coalition by WP2 Line	
					# (with Operator)		# (without Operator)	
Account #	GAAP Basis	Ending Balance	Ending Balance	Included in WP2 by Verizon by WP2 Line #				
5240700T	Unbnd Acc OSS UNE-P Cust	(377,921.30)	(377,921.30)					
5240700U	Oth Acc OSS UNE Resale Cust	(95,153.78)	(95,153.78)					
52409210	Oth Rent Rev-Oth- Lnd&Bldgs	(731,767.85)	(731,767.85)					
52409220	Oth Ir - Leasing Arrangmts	(124,294.85)	(124,294.85)					
52409300	Oth Rent Rev-Oth- Coe&Crcts	(1,697.82)	(1,697.82)					
5240990A	Oth Rent Rev-Oth - Interst	(59,218,604.04)	(59,218,604.04)					
5240990R	Rent Rev - Ancillary	(1,908,020.61)	(1,908,020.61)					
52619000	Special Billing Arrngmnts Rev	(1,130,476.36)	(1,130,476.36)	11				Directory assistance listing revenue from alternate directory assistance providers. This is not subject to resale.
5262900A	Misc Rev- Cus Oper Rev-Other	(272,699.98)	(272,699.98)	11	11		18	
52641000	Oth I R R Overags &Unclm Ref	7,740.23	7,740.23					
52642000	Oth I R R Spl Chg/ Cr Cus Pa	(289,815.41)	(289,815.41)					
5264310A	Oth I R R Lt Pmt Fe -Crr	(2,336,358.59)	(2,336,358.59)					
5264310B	Oth I R R Lt Pmt Fe -End	(5,139,428.38)	(5,139,428.38)					
5264310C	Oth I R R Lt Pmt Fe-Oth	(1,073,200.26)	(1,073,200.26)					
5264310D	Ptly Crgs-Cust Pmts-Intrxc Crr	176,482.76	176,482.76					
5264920H	Oth Incdl Reg Rv-Ot Nsi	(13,681.49)	(13,681.49)					
52649910	Oth Ir - Commsns & Rebates	(50,961.37)	(50,961.37)					
52649930	Oth Ir - Licensing Fees	(7,041.20)	(7,041.20)					
52649960	Oth Ir - Msg Detal Svc	(11,777.18)	(11,777.18)					
52649990	Oth Incdl Reg Rv-Ot Other	(289,860.55)	910,139.45					
5270100A	Carr B&C Rev -Rcrd Svc	(6,691,471.26)	(6,691,471.26)					
5270100G	Crr Bl&Cl - Aff-Bams	(381,896.57)	(381,896.57)					
5270100I	CRR BL&CL -Aff-BACI	(20,578,692.93)	(20,578,692.93)					
5270100J	NLD Bill & Collection Rev	(8,955,706.24)	(8,955,706.24)					
5270100L	Verizon Wireless Single Bill	(619,386.06)	(619,386.06)					
52702180	B&C-Affiliate-VSSI-Strateg Mkt	(100,197.99)	(100,197.99)					
5280100B	NON-REG OPER REV-OTH BUS RECUR	(593,042.95)	(593,042.95)					
52801115	Ins Wr&Rltd Crgs-Rc/Nnrec Chgs	(6,726,043.68)	(6,726,043.68)					
52801117	Nr Or Pds Mntce- Sp Pr Arg	38,315.64	38,315.64					
52801118	Tele Protection Plan (TPP)	(129,501.24)	(129,501.24)					
5280111A	Nr Or Pds Mntce-Op Wr M P	(24,006,475.56)	(24,006,475.56)					
5280111E	Nr Or Pds Mntce-Time/Mat	(5,675,132.71)	(5,675,132.71)					
5280114B	Nr Or Pds Inst-- Sp Pr Arg	(1,883.60)	(1,883.60)					
5280114C	Nr Or Pds Inst--Jack Install	110.00	110.00					
5280114D	Repair Tickt Chg-Resld-T&M	(279,652.61)	(279,652.61)					
52801161	NR Oper Rev --FBAS	(98,607.05)	(98,607.05)					
52801162	NR Oper Rev-FBAS --IWl	(1,698,285.00)	(1,698,285.00)					
5280131A	Nr Or Vms Tele Ansr Gross Rev	(21,129,692.56)	(21,129,692.56)					
5280132A	Nr Or Vms Voce Mail Gross Rev	(16,627,035.78)	(16,627,035.78)					

SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

		Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>			
		Reg Account Trial Balance	S_ACTUALS	20:01	20:01			
		Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01			
		All Basis	S_STATE	20:01	20:01			
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA		ADJUSTMENT NO. 2	ADJUSTMENT NO. 3	
					Included in WP2 by Verizon by WP2 Line #	Included by CLEC Coalition by WP2 Line # (with Operator)	Included by CLEC Coalition by WP2 Line # (without Operator)	REASON FOR EXCLUSION OF REVENUE FROM CLEC COALITION RE-STATEMENT OF STUDY
Account #	GAAP Basis Reg Account Description	Ending Balance	Ending Balance					
52801371	NR Op Rv-Whlsl Adv Vcemail-Bus	(1,059.60)	(1,059.60)					
52801410	IP Telephy Gateway Acc Svc	(198.65)	(198.65)					
52801420	IP Telephy Gateway Acc Svc-TI	391,623.23	391,623.23					
52802420	Nr Or Bel Atl Crdt Cd Svcs	7,224.36	7,224.36					
5280261V	Nr Or VZ Teleproducts Other	(26,292.82)	(26,292.82)					
5280262Q	NR Affil -VSSI-Card Services	(3,030,065.49)	(3,030,065.49)					
5280262R	NR Aff-VZ Select Svc Inc.-PCC	(68,558.31)	(68,558.31)					
5280263J	NR OR VZ-O-Ntwk Integrat.	(35,555.02)	(35,555.02)					
52802862	Nr Or Rev VZ DSI B&C	(484,400.19)	(484,400.19)					
52802872	Verizon Online	(26,080,837.65)	(26,080,837.65)					
52803100	NOR NDA	(5,494,688.82)	(5,494,688.82)					
5280322G	NR OR NYNEX- Long Dist (NLD)	(189,633.00)	(189,633.00)					
52803230	NOR WNDA - ITC	(217,749.43)	(217,749.43)					
52803300	NOR WNDA IXC	(1,597,739.19)	(1,597,739.19)					
52803400	NDA/WNDA TARF TR	203,372.06	203,372.06					
52803500	IXC Call Cmp-DACC	(52,981.05)	(52,981.05)					
52805850	NR FTTP Video Svc-Recurring	(658.29)	(658.29)					
52805851	NR FTTP Video Sv-Non-Recurring	(242.29)	(242.29)					
52805855	NR FTTP Video Fees - PEG/INET	(8.32)	(8.32)					
52805856	NR FTTP Franchise Fees	(74.90)	(74.90)					
5280671A	Nr Pub Flat Rate Per Call Comp	(7,557,327.55)	(7,557,327.55)					
5280671B	Nr Rev-Local Sent Paid Msg	(4,078,793.49)	(4,078,793.49)					
5280672B	Nr Semi Rev.--Lc Sent Paid Msg	(1,423,570.44)	(1,423,570.44)					
5280672E	Nr Coin Bus Svcs - Recur Chgs	(6,750,831.18)	(6,750,831.18)					
5280674A	Pblc Tlph, Intrst Lg Dstc-Pblc	(961,333.09)	(961,333.09)					
5280674C	Intrast Lg Dstc,Sm-Pbc,St-Pd	(88,601.25)	(88,601.25)					
5280674D	NR REV-LD SENT PAID MSG	647.55	647.55					
52806790	Public Telephone - Other	6,337,758.18	6,337,758.18					
52808310	NR B&C Nonaffl	(717,164.19)	(717,164.19)					
52808320	Othr NR Rev-DIRECTV-B&C	(115,117.50)	(115,117.50)					
52808510	Nreg-Wholesl-DSL Prem Svc	(3,831.30)	(3,831.30)					
52809510	NR Rev-Other Power Oasis	(4.90)	(4.90)					
5280991A	NR OR -- OTHER Rev	8,259,451.73	8,259,451.73					
5280992A	NR OR -- OTHER - Tariff Trans	6,122,800.97	6,122,800.97					
52809932	NR Other - SS7 OffNet Service	(196,501.80)	(196,501.80)					
52809934	NR Rev--VZ Long Distance	(131,952.00)	(131,952.00)					
52809940	Enhanced 911 Database Svc.	(13,967,063.26)	(13,967,063.26)					
52809946	Non-Reg Op Rv Comm DIRECTV	(3,420,896.50)	(3,420,896.50)					
52809950	TBR Disc Pln -Debit	11,242.56	11,242.56					
52809962	NR Other - Managed Network Svc	(144,607.08)	(144,607.08)					
53011100	Uncollect Inter-End User-Acrl	2,595,080.03	2,595,080.03					

SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

		Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>			
		Reg Account Trial Balance	S_ACTUALS	20:01	20:01			
		Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01			
		All Basis	S_STATE	20:01	20:01			
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA		ADJUSTMENT NO. 2	ADJUSTMENT NO. 3	REASON FOR EXCLUSION OF REVENUE FROM CLEC COALITION RE-STATEMENT OF STUDY
					Included in WP2 by Verizon by WP2 Line #	Included by CLEC Coalition by WP2 Line # (with Operator)	Included by CLEC Coalition by WP2 Line # (without Operator)	
Account #	GAAP Basis Reg Account Description	Ending Balance	Ending Balance					
53012100	Uncollect Intra-End User-Acrl	32,623,299.29	32,623,299.29					
53013100	Uncollect Inter-Car Acc-Acrl	(6,239,152.53)	(6,239,152.53)					
5301511A		(12,000,000.00)	(12,000,000.00)					
5301513A		(7,530,442.74)	(7,530,442.74)					
53021000	Uncollect Revenues Other	833,672.58	833,672.58					
53022000	Uncol Rev -Other - Intrast	2,332.64	2,332.64					
53023000	Uncol Rev Ot-Neg PARS & Unbill	24,525.24	24,525.24					

Re: DTE 06-61 – Verizon Tariff M.D.T.E. No. 14

Supplemental Information in Response to CLEC Coalition's Data Request 1-10

As indicated previously in Data Requests, Verizon does not have a "manual" with detailed descriptions of types of expenses recorded at the managerial sub-account level.

Commissions and interveners may be aware that Verizon had provided job function code (JFC) detail in past studies. Verizon no longer has reliable expense data at a job function code (JFC) level – a consequence of many mergers, management reductions and streamlining efforts. However, Verizon is confident that the accounting records comply with the USOA account definitions.

Verizon has attempted to satisfy the CLEC Coalition's request for additional underlying data by providing the following table, where Verizon has matched the FCC USOA description with its Managerial Accounting scheme. Note: due to reorganizations in 2001, references to "Residence" can generally be assumed to mean "Consumer" which includes Residence and Small Business customers; and, references to Interexchange have been expanded to mean any Wholesale customer.

Account Number	Account Description	Expanded Account Description	Additional Information If Available
<p>The following accounts are recorded in accordance with 47 C.F.R. 32.5001, Basic area revenue.</p> <p>(a) This account shall include revenue derived from the provision of the following:</p> <p>(1) Basic area message services such as flat rate services and measured services. Included is revenue derived from non-optional extended area services. Also included is revenue derived from the billed or guaranteed portion of semi-public services.</p> <p>(2) Optional extended area service.</p> <p>(3) Cellular mobile telecommunications systems connected to the public switched network placed between mobile units and other stations within the mobile service area.</p> <p>(4) General radio telecommunications systems connected to the public switched network placed between mobile units and other stations within the mobile service area, as well as revenue from mobile radio paging, mobile dispatching, and signaling services.</p> <p>(b) Revenue derived from charges for nonpublished number or additional and boldfaced listings in the alphabetical section of the company's telephone directories shall be included in account 5230, Directory revenue.</p> <p>(c) Revenue from private mobile telephone services which do not have access to the public switched network shall be included in Account 5200, Miscellaneous revenue.</p>			
50010001	Adv Pub Switch Ntk Serv. - Bus.	Advanced Public Switched network Services – Business	
50015100	Pub Tel Accs Ln to IPPS-Recr	Public Telephone--Public Access Lines to Independent Payphone Providers--Recurring Revenue	
50016100	Interco Bas Sv Rev	Intercompany Basic Area Revenue	Reconciling account between billed revenue and the general ledger
<p>The following accounts are recorded in accordance with 47 C.F.R. 32.5040, Private line revenue.</p> <p>This account shall include revenue derived from local services that involve dedicated circuits, private switching arrangements, and/or predefined transmission</p>			
50401000	Collocation Rec/Non Recurring	Collocation Revenue-Recurring and Non Recurring	Revenue from physical collocators
50403100	Interco Loc PL Rev	Intercompany Local Private Line Revenue	Reconciling account between billed revenue and the general ledger
<p>The following accounts are recorded in accordance with 47 C.F.R. 32.5060, Other basic area revenue.</p> <p>This account shall include:</p> <p>(a) Revenue from the provision of secondary features which are integrated with the telecommunications network such as call forwarding, call waiting and touch-tone line service. Also included is revenue derived from the provision of public announcement and other record message services, directory assistance and other call completion services (excluding operator assisted basic long distance calls), as well as revenue derived from central office related service connection and termination charges, and other non-premise customer specific charges associated with public network services. This account shall also include local revenue not provided for in other accounts.</p>			

Re: DTE 06-61 – Verizon Tariff M.D.T.E. No. 14

Supplemental Information in Response to CLEC Coalition's Data Request 1-10

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Commissions and interveners may be aware that Verizon had provided job function code (JFC) detail in past studies. Verizon no longer has reliable expense data at a job function code (JFC) level – a consequence of many mergers, management reductions and streamlining efforts. However, Verizon is confident that the accounting records comply with the USOA account definitions.

Verizon has attempted to satisfy the CLEC Coalition's request for additional underlying data by providing the following table, where Verizon has matched the FCC USOA description with its Managerial Accounting scheme. Note: due to reorganizations in 2001, references to "Residence" can generally be assumed to mean "Consumer" which includes Residence and Small Business customers; and, references to Interexchange have been expanded to mean any Wholesale customer.

Account Number	Account Description	Expanded Account Description	Additional Information If Available
<p>(b) Charges and credits resulting from contractual revenue pooling and/or sharing agreements for tariffed local network services only when they are not separately identifiable by local network services revenue accounts in the settlement process. To the extent that the charges and credits resulting from a settlement process can be identified by Local Network Services Revenue account they shall be recorded in the applicable account.</p> <p>(c) Revenue derived from tariffed information origination/termination plant. Included is revenue derived from the provision under leasing arrangements of tariffed customer premises equipment (CPE), terminal equipment, station apparatus and large private branch exchanges as well as tariffed nonrecurring charges related solely to station apparatus. Also included are all tariffed charges for customer premises activities and facilities not related solely to station apparatus.</p>			
5060100A	Oth Loc X Rev - C0 Features	Other Local Exchange Revenue - Central Office Features	
5060900A	Oth Loc X Rev - Other	Other Local Exchange Revenue - Other	For MA only in 2005 only, primarily related to FDDI Network Services providing intrapremises and intracampus high speed communication capabilities.
5060900B	Oth Loc X Rev-Surcharge Rev	Other Local Exchange Revenue - Surcharge Revenues	
5060900C	Oth Loc X Rev-Unison Conv	Other Local Exchange Revenue - Unison Conversion	Reconciling account between billed revenue and the general ledger
<p>The following accounts are recorded in accordance with 47 C.F.R. 32.5230, Directory revenue.</p> <p>This account shall include revenue derived from alphabetical and classified sections of directories and shall also include fees paid by other entities for the right to directories;</p> <p>(b) Revenue from the sale of new telephone directories whether they are the company's own directories or directories purchased from others. This shall also</p> <p>(c) Amounts charged for additional and boldface listings, marginal displays, inserts, and other advertisements in the alphabetical section of the company's</p> <p>(d) Charges for unlisted and non-published telephone numbers.</p>			
5230910A	NR DA Oth Dir Rev Non-Std Lst	Non Regulated Directory Assistance Other Directory Revenue Non-Standard Listings	Revenue for nonlisted, nonpublished numbers or additional listings.
The following two revenue accounts are part of Miscellaneous Service Revenue			
52619000	Special Billing Arrngmnts Rev	Special Billing Arrangements Revenue	Providing directory assistance listings to alternate directory assistance providers. Applies to MA 2005 only.
5262900A	Misc Rev- Cus Oper Rev-Other	Miscellaneous Revenue - Customer Operations Revenue-Other	
<p>The following accounts are recorded in accordance with 47 C.F.R. 32.6611, Product management and sales.</p> <p>This account shall include:</p>			

Re: DTE 06-61 – Verizon Tariff M.D.T.E. No. 14

Supplemental Information in Response to CLEC Coalition's Data Request 1-10

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Commissions and interveners may be aware that Verizon had provided job function code (JFC) detail in past studies. Verizon no longer has reliable expense data at a job function code (JFC) level – a consequence of many mergers, management reductions and streamlining efforts. However, Verizon is confident that the accounting records comply with the USOA account definitions.

Verizon has attempted to satisfy the CLEC Coalition's request for additional underlying data by providing the following table, where Verizon has matched the FCC USOA description with its Managerial Accounting scheme. Note: due to reorganizations in 2001, references to "Residence" can generally be assumed to mean "Consumer" which includes Residence and Small Business customers; and, references to Interexchange have been expanded to mean any Wholesale customer.

Account Number	Account Description	Expanded Account Description	Additional Information If Available
<p>(a) Costs incurred in performing administrative activities related to marketing products and services. This includes competitive analysis, product and service identification and specification, test market planning, demand forecasting, product life cycle analysis, pricing analysis, and identification and establishment of distribution channels.</p> <p>(b) Costs incurred in selling products and services. This includes determination of individual customer needs, development and presentation of customer proposals, sales order preparation and handling, and preparation of sales records.</p>			
66111000	Product Management Exp-SG&A-C	Product Management Expense-Support and General Administrative-Common, Non Terminal Marketing	Product Management primarily for intrapremises communications services.
66112000	Product Mngmnt Exp-Residual-C	Product Management Expense-Residual-Common	Product Management primarily for non-network shared facilities
66113000	Product Management	Product Management	Activities primarily relating to managing business marketing management information systems.
66114000	Prod Mgt Exp-Mgt Activities-R	Product Management Expense-Management Activities-Regulated	
66117000	Prod Mgt Exp-NR-Prod & Serv	Product Management Expense-Non Regulated-Products & Services	Product Management primarily for public telephone products/services.
66121000	Sales Expense-SG&A-C	Sales Expense-Support and General Administration-Common	Sales, supervision and support activities selling Consumer (Residence and Small Business) service, in a Direct Marketing/Direct Response (DM/DR) unit
66121500	Sales Exp-Residence DM/DR	Sales Expense-Consumer Direct Marketing/Direct Response Unit	See 66121000
66122000	Sales Exp-Mgt Act-Residual-C	Sales Expense-Management Activities-Residual-Common	
66124000	Sales Expense-Mgt Activities-R	Sales Expense-Management Activities-Regulated	
66125200	Sales Exp-Reg Promo Sales Exp	Sales Expense - Regulated Promotional Sales Expense	
<p>The following accounts are recorded in accordance with 47 C.F.R. Sec. 32.6613, Product advertising.</p> <p>This account shall include costs incurred in developing and implementing promotional strategies to stimulate the purchase of products and services. This excludes nonproduct-related advertising, such as corporate image, stock and bond issue and employment advertisements, which shall be included in the appropriate functional accounts.</p>			
66132000	Product Adv Exp-Residual-C	Product Advertising Expense-Residual-Common	Creating, producing and implementing product advertising.
<p>The following accounts are recorded in accordance with 47 C.F.R. 32.6623, Customer services.</p> <p>(a) This account shall include costs incurred in establishing and servicing customer accounts. This includes:</p>			

Re: DTE 06-61 – Verizon Tariff M.D.T.E. No. 14

Supplemental Information in Response to CLEC Coalition's Data Request 1-10

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Verizon has attempted to satisfy the CLEC Coalition's request for additional underlying data by providing the following table, where Verizon has matched the FCC USOA description with its Managerial Accounting scheme. Note: due to reorganizations in 2001, references to "Residence" can generally be assumed to mean "Consumer" which includes Residence and Small Business customers; and, references to Interexchange have been expanded to mean any Wholesale customer.

Account Number	Account Description	Expanded Account Description	Additional Information If Available
(1) Initiating customer service orders and records; (2) Maintaining and billing customer accounts; (3) Collecting and investigating customer accounts, including collecting revenues, reporting receipts, administering collection treatment, and handling contacts with customers regarding adjustments of bills, (4) Collecting and reporting pay station receipts; and (5) Instructing customers in the use of products and services. (b) This account shall also include amounts paid by interexchange carriers or other exchange carriers to another exchange carrier for billing and collection services. Subsidiary record categories shall be maintained in order that the entity may separately report interstate and intrastate amounts. Such subsidiary record categories shall be reported as required by part 43 of this Commission's rules and regulations.			
66230000	Cust Serv Exp-Serv Order Act-C	Customer Service Expense-Service Order Activity-Common	Processes the Business service orders generated by the Business Sales Service Center (BSSC) and Sales Offices and Residence service orders in a Residence Sales and Service Center and/or direct marketing center (RSSC)
66230100	Cust Serv Ex-Serv Order ICSC-C	Customer Service Expense-Service Order Interexchange Customer Service Center-Common	Processes service orders for Interexchange customers and or other wholesalers
66230200	Cus Sv Ex-Sv Ord Act-RSC/BSC	Customer Service Expense - Service Order Activity - Residence Solutions Center/Business Solution Center	See 66230000
66230300	Cus Sv Ex-Sv Ord Act-Public	Customer Services Expense - Service Order Activity - Public	Processes service orders for Public Telephone customers in a PSC (Public Service Center)
66230400	Cus Sv Ex-Sv Ord Act-Dmnd Slis	Customer Services Expense - Service Order Activity - Demand Sales	Handling related business matters with customers from a Business Sales and Service Center (BSSC)
66230500	North Only-No Desc Available	North Only-No Desc Available	Handles customer services requests with Interexchange/Wholesale general customer contacts, Radio Common Carriers, requests for broadcast services including Presidential newscasts, national disasters, sporting events, etc.
66230600	Customer Services	Customer Services	Other Customer Services
66230700	Customer Services	Customer Services	Other Customer Services
66231000	Cs Sr Ex-Ac Mnt & Cst Blg-EU-C	Customer Service Expense-Account Maintenance & Customer Billing-End User-Common	
66231100	Cs Sr Ex-Ac Mn & Cs BI-Cs BI-C	Customer Service Expense-Account Maintenance & Customer Billing-Customer Billing-Common	See 66231000
66231200	Cs Sr Ex-Ac Mn & Cs BI-Sr Or-C	Customer Service Expense-Account Maintenance & Customer Billing-Service Order-Common	

Re: DTE 06-61 – Verizon Tariff M.D.T.E. No. 14

Supplemental Information in Response to CLEC Coalition's Data Request 1-10

As indicated previously in Data Requests, Verizon does not have a "manual" with detailed descriptions of types of expenses recorded at the managerial sub-account level.

Commissions and interveners may be aware that Verizon had provided job function code (JFC) detail in past studies. Verizon no longer has reliable expense data at a job function code (JFC) level – a consequence of many mergers, management reductions and streamlining efforts. However, Verizon is confident that the accounting records comply with the USOA account definitions.

Verizon has attempted to satisfy the CLEC Coalition's request for additional underlying data by providing the following table, where Verizon has matched the FCC USOA description with its Managerial Accounting scheme. Note: due to reorganizations in 2001, references to "Residence" can generally be assumed to mean "Consumer" which includes Residence and Small Business customers; and, references to Interexchange have been expanded to mean any Wholesale customer.

Account Number	Account Description	Expanded Account Description	Additional Information If Available
66231300	Cust Crdntn Svc-SACS/VCS-Commn	Customer Coordination Services-Service Advocate Coordination/Vendor Coordination-Common	Represents customers within Verizon and to the customer's equipment and service vendors to resolve service problems that have not been resolved through normal trouble reporting processes.
66231500	Customer Services	Customer Services	Activities primarily relating to customer credit, payment and collection operations.
66231600	Cust Serv-Bus Center-Training	Customer Services-Business Service Center Operation-Training	Business Service Center training
66231700	Cust Serv-Residence-Training	Customer Service-Residence Service Center Operation-Training	Consumer Service Center training
66231900	Customer Services	Customer Services	Instructing and training customers in the use and operation of telephone company provided service
66232000	Cs Sr Ex-Ac Mn & Cs BI-In&Sp-C	Customer Service Expense- Account Maintenance & Customer Billing-Inquiry & Supervision-Common	Processes the customer billing inquiries and adjustments for Residence customers
66232100	Cs Sr Ex-Ac Mn & Cs BI-Cell-C	Customer Service Expense- Account Maintenance & Customer Billing-Cellular-Common	
66232200	Cs Sr Ex-Ac Mn & Cs BI-CABS-C	Customer Service Expense- Account Maintenance & Customer Billing-CABS-Common	Processes the customer billing inquiries and adjustments specific to Verizon's Carrier Access Billing System (CABS), primarily Interexchange Carriers
66232300	Cs Sr Ex-Ac Mn&C BI-ICSC Inq-C	Customer Service Expense- Account Maintenance & Customer Billing-Interexchange Carrier Service Center Inquiry-Common	Processes customer billing inquiries and adjustments for Interexchange customers (ICs)
66232400	Cus Sv Ex-Billing Inq-EU	Customer Service Expense - Billing Inquiry - End User	Processes customer billing inquiries and adjustments for Business Customers
66233000	Cs Sr Ex-SG&A-All Other-C	Customer Service Expense- Support, General & Administrative- All Other-Common	Other Customer Services
66233100	Cs Sr Ex-SG&A-ICSC-C	Customer Service Expense-Support & General & Administrative- Interexchange Carrier Service Center-Common	Other Customer Services expenses relating to Interexchange Carriers
66233200	Cs Sr Ex-SG&A-NW Shared Fac-C	Customer Service Expense- Supervision, General & Administrative-Non Network Shared Facilities-Common	Handles Customer Services activities for non network shared facilities.
66233500	Customer Services	Customer Services	Other Customer Services expenses
66233800	Customer Services	Customer Services	Handles Customer Services activities to customer provided equipment/vendor customers.

Re: DTE 06-61 – Verizon Tariff M.D.T.E. No. 14

Supplemental Information in Response to CLEC Coalition's Data Request 1-10

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Account Number	Account Description	Expanded Account Description	Additional Information If Available
66234000	Cust Serv Exp-Cust Instruct-R	Customer Services Expense-Customer Instruction-Regulated	Instructs and trains customers in the use and operation of telephone company provided service
66235000	Cs Sr Ex-Ac Mn & Cs BI-Ac Mn-R	Customer Service Expense-Account Maintenance & Customer Billing-Account Maintenance-Regulated	
66235100	Cs Sr Ex-Ac Mn&Cs BI-Cs Blg-R	Customer Services Expense-Account Maintenance & Customer Billing-Customer Billing-Regulated	Performs remittance processing activities.
66235200	Cs Sr Ex-Ac Mn & Cs BI-Misc-R	Customer Services Expense-Account Maintenance & Customer Billing-Miscellaneous-Regulated	
66236000	Cs Sr Ex-Pub Tel Clct, Rprt-R	Customer Service Expense-Public Telephone Collection, Report-Regulated	
66236100	Cs Sr Ex-Pub Tele Commission-R	Customer Service Expense-Public Telephone Commissions-Regulated	
66236200	Cust Serv-Pub Tel Agent Com-R	Customer Service Expense-Public Telephone Agent Commissions-Regulated	
66236300	Tel Relay Svc Exp	Telephone Relay Service (TRS) Expenses	
66237000	Cust Serv Exp-Ref to Others-NR	Customer Services Expense-Referrals to Others-Nonregulated	
66238000	Cust Serv Exp-Pub Tel-NR	Customer Services Expense-Public Telephone Rept Comm-Nonregulated	Collects coin receptacles from coin telephones; inspects and tests coin telephones.
66238100	Cs Sr Ex-Instr CST/Use-NR	Customer Service Expense-Instruction CST/Use Product & Service-Nonregulated	
66238200	Cs Sr Ex-Ac Mn&Cs BI-AcMn-NR	Customer Service Expense-Account Maintenance & Customer Billing-Account Maintenance-Nonregulated	

AVOIDED COST / RESALE DISCOUNT STUDY - 2005 EXPENSES
 Calculation of Regulated ~~Intrastate~~ Avoided Expenses
 MA State
 (Dollars in \$000's)

**ADJUSTMENT
NO. 1**

Line	Account	Account Description	Regulated Expenses (\$000's) D = ARMIS 43- Q3	Intrastate Total Company % E = ARMIS 43- Q4	Regulated Intrastate Expenses F = D x E	Avoided % (with Operator Services) G	Avoided % (without Operator Services)	AVOIDED EXPENSES (with Operator Services) H = F x G	AVOIDED EXPENSES (without Operator Services)	DIRECT / INDIRECT ¹	Avoided Assumptions I
A	B	C	D	E	F	G		H			
9	611200	MOTOR VEHICLE EXPENSE	\$ 622	100.00%	\$ 622	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Support Expense
10	611300	AIRCRAFT EXPENSE	\$ 593	100.00%	\$ 593	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Support Expense
11	611400	SPECIAL PURPOSE VEHICLE	\$ 2,943	100.00%	\$ 2,943	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Support Expense
12	612100	LAND & BUILDINGS EXP	\$ 87,267	100.00%	\$ 87,267	0.00%	0.00%	\$ -	\$ -	Indirect	Non-Avoided: Network Support Expense
13	612200	FURNITURE & ARTWORK EXP	\$ 1,403	100.00%	\$ 1,403	0.00%	0.00%	\$ -	\$ -	Indirect	Non-Avoided: Network Support Expense
14	612300	OFFICE EQUIP EXP	\$ 5,224	100.00%	\$ 5,224	20.97%	25.10%	\$ 1,095	\$ 1,311	Indirect	ADJUSTMENT NO. 6
15	612400	GNL PURPOSE COMPUTER EXP	\$ 45,783	100.00%	\$ 45,783	45.38%	45.38%	\$ 20,776	\$ 20,776	Indirect	ADJUSTMENT NO. 7
16	621100	ANALOG ELECTRONIC EXP	\$ 2,445	100.00%	\$ 2,445	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
17	621200	DIGITAL ELECTRONIC EXP	\$ 72,543	100.00%	\$ 72,543	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
18	622000	OPERATOR SYSTEMS	\$ 197	100.00%	\$ 197	0.00%	100.00%	\$ -	\$ 197	Direct	Only if Resellers decline use of Verizon Operators
19	623100	RADIO SYSTEMS EXP	\$ 64	100.00%	\$ 64	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
20	623200	CIRCUIT EQUIP EXP	\$ 52,529	100.00%	\$ 52,529	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
21	635100	PUBLIC TEL TERM EQUIP EXP	\$ -	100.00%	\$ -	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
22	636200	OTHER TERMINAL EQUIP EXP	\$ 18,194	100.00%	\$ 18,194	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
23	641100	POLES	\$ 2,196	100.00%	\$ 2,196	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
24	642100	AERIAL CABLE EXP	\$ 238,681	100.00%	\$ 238,681	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
25	642200	UNDERGROUND CABLE EXP	\$ 36,315	100.00%	\$ 36,315	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
26	642300	BURIED CABLE EXP	\$ 13,657	100.00%	\$ 13,657	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
27	642400	SUBMARINE CABLE EXP	\$ 2	100.00%	\$ 2	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
28	642600	INTRA-BUILDING CABLE EXP	\$ 2,769	100.00%	\$ 2,769	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
29	643100	AERIAL WIRE	\$ -	100.00%	\$ -	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
30	644100	CONDUIT SYSTEMS EXP	\$ 11,078	100.00%	\$ 11,078	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
31	651200	PROVISIONING EXP	\$ 5,198	100.00%	\$ 5,198	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
32	653100	POWER	\$ 33,243	100.00%	\$ 33,243	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
33	653200	NETWORK ADMIN EXP	\$ 34,822	100.00%	\$ 34,822	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
34	653300	TESTING	\$ 39,157	100.00%	\$ 39,157	14.49%	14.49%	\$ 5,673	\$ 5,673	Direct	See WP4
35	653400	PLANT OPER ADMIN EXP	\$ 92,237	100.00%	\$ 92,237	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
36	653500	ENGINEERING EXP	\$ 21,172	100.00%	\$ 21,172	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
37	654000	ACCESS EXPENSE	\$ 114,263	100.00%	\$ 114,263	0.00%	0.00%	\$ -	\$ -	Direct	Non-Avoided: Network Operations Expense
38	661100	PRODUCT/MARKET MGMT	\$ 40,414	100.00%	\$ 40,414	21.03%	21.03%	\$ 8,498	\$ 8,498	Direct	See WP5
39	661200	SALES	\$ 46,810	100.00%	\$ 46,810	100.00%	100.00%	\$ 46,810	\$ 46,810	Direct	See WP6
40	661300	PRODUCT ADVERTISING	\$ 10,182	100.00%	\$ 10,182	0.00%	0.00%	\$ -	\$ -	Direct	Not Avoided: Non-Incremental Costs
41	662100	CALL COMPLETION SVCS	\$ 8,641	100.00%	\$ 8,641	0.00%	100.00%	\$ -	\$ 8,641	Direct	Only if Resellers decline use of Verizon Operators
42	662200	NUMBER SERVICES	\$ 37,783	100.00%	\$ 37,783	0.00%	100.00%	\$ -	\$ 37,783	Direct	Only if Resellers decline use of Verizon Operators
43	662300	CUSTOMER SVCS & BILLING OPS	\$ 188,615	100.00%	\$ 188,615	93.00%	93.00%	\$ 175,412	\$ 175,412	Direct	See WP7
44	672000	GENERAL AND ADMINISTRATIVE	\$ 328,880	100.00%	\$ 328,880	0.00%	0.00%	\$ -	\$ -	Indirect	Not Avoided: Non-Incremental Costs
45	67110500	Exec Exp-Marketing Operation-C	\$ 240	100.00%	\$ 240	100.00%	100.00%	\$ 240	\$ 240	N/A - not used in total direct / indirect	ADJUSTMENT NO. 8


AVOIDED COST / RESALE DISCOUNT STUDY - 2005 EXPENSES
 Calculation of Regulated ~~Intrastate~~ Avoided Expenses
 MA State
 (Dollars in \$000's)

ADJUSTMENT
 NO. 1


Line	Account	Account Description	Regulated Expenses (\$000's) D = ARMIS 43-03	Intrastate Total Company % E = ARMIS 43-04	Regulated Intrastate Expenses F = D x E	Avoided % (with Operator Services) G	Avoided % (without Operator Services)	AVOIDED EXPENSES (with Operator Services) H = F x G	AVOIDED EXPENSES (without Operator Services)	DIRECT / INDIRECT ¹	Avoided Assumptions
A	B	C	Q3	Q4	F = D x E	G		H = F x G			I
46	67111500	Exec Exp-Customer Services-C	\$ 14	100.00%	\$ 14	93.00%	93.00%	⁷ \$ 13	\$ 13	calculations.	ADJUSTMENT NO. 8
47	672300	HUMAN RESOURCES	\$ 23,310	100.00%	\$ 23,310	20.97%	25.10%	² \$ 4,888	\$ 5,852	Included within Account 6720.	ADJUSTMENT NO. 6
48	672800	GENERAL AND ADMINISTRATIVE	\$ 194,453	100.00%	\$ 194,453	20.97%	25.10%	² \$ 40,774	\$ 48,815		ADJUSTMENT NO. 6
DIRECT COSTS					\$ 1,127,365			\$ 236,393	\$ 283,014		
AVOIDED DIRECT COSTS / TOTAL DIRECT COSTS								20.97%	25.10% ²		

- Expenses were classified as Direct or Indirect consistent with Verizon Virginia's and Verizon Washington, D.C.'s classification of expenses in their avoided cost studies. See file **Attachment VII CLEC 1-16(PROPRIETARY).xls**, Tab 4 - Avoided % by Account and **Attachment I CLEC 1-16(PROPRIETARY).xls**, Tab 4 - Avoided % by Account provided in response to CLEC 1-16.
- Amounts represent the percentage of indirect costs that should be avoided based upon the percentage of direct costs avoided when services are resold.
- Amount is the avoided cost percentage from Verizon Virginia avoided cost study since Verizon Massachusetts did not calculate comparable percentage. See Attachment VII CLEC 1-16(PROPRIETARY).xls, Tab 12 - North Analysis provided in response to CLEC 1-16.
- Verizon Virginia and Verizon Washington, D.C., Inc. assumed 100% of Sales expense in Account 6612 was avoided. Same percentage is used here since funtional nature of sales expense has not changed.
- Retail percentage of Customer Service costs in Account 6623 from Verizon Massachusetts's ARMIS 43-03 report is used.
- Represents the executive costs associated with avoided sales costs. Adjustment is consistent wit Verizon's identification of avoided costs in CC Docket Nos. 00-218 and 00-251. See file provided in response to CLEC 1-16: **Attachment VII CLEC 1-16(PROPRIETARY).xls**, Tab 6 - Avoided Cost by FC, line 707. Sub-account level executive costs are assumed to be comparable to function code level costs identified by Verizon in the Virginia arbitration case.
- Represents the executive costs associated with avoided customer service costs. Adjustment is consistent with Verizon's identification of avoided costs in CC Docket Nos. 00-218 and 00-251. See file provided in response to CLEC 1-16: **Attachment VII CLEC 1-16(PROPRIETARY).xls**, Tab 6 - Avoided Cost by FC, line 707. Sub-account level executive costs are assumed to be comparable to function code level costs identified by Verizon in the Virginia arbitration case.


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
	GAAP Basis		Ending	Ending
Account #	Reg Account Description		Balance	Balance
EXPENSES				
61121111	MV & Other Work Equip-Misc		876,527.28	876,527.28
61121112	MV & Garage-Genl-Fuel		10,477,806.45	10,477,806.45
61121113	MV & Garage-Genl-Lub & Svc		744,302.01	744,302.01
61121114	MV & Garage-Genl-Tire & Tubes		949,680.08	949,680.08
61121115	MV & Garage-Genl-Ordin Rpr Of V		10,702,414.35	10,702,414.35
61121116	MV & Garage-Genl-Accd Rpr		(107,024.32)	(107,024.32)
61121117	MV & Garage-Genl-Ordin Rpr Eq		2,244,237.74	2,244,237.74
61121118	MV & Garage-Genl-Appearance		53,972.39	53,972.39
61121119	MV & Garage-Genl-Lic&Insp Fees		2,507,073.49	2,507,073.49
61121121	MV & Garage-Genl-Rent Supl Flet		5,112,955.06	5,112,955.06
61121122	MV & Garage-Genl-Pool&Perm Veh		(11.72)	(11.72)
61121124	MV Clearance Craft Vhl		(33,763,151.71)	(33,763,151.71)
61121126	MV Intro Cs Trnsfr-MV Exp		23,341.00	23,341.00
61121127	MV Intro Cs Trnsfr-MV Exp		474,343.62	474,343.62
61121128	Fleet Oprns Mgmt Costs		393,768.52	393,768.52
61131112	Aircraft & Spec Veh Exp-Repr		43,282.52	43,282.52
61131113	Aircraft & Spec Veh Exp-L&S		100.77	100.77
61131114	Aircraft & Spec Veh Exp-Misc		9,787.44	9,787.44
61131115	Aircraft Exp-Intro Cs Trnsfr		592,767.72	592,767.72
61141111	Mobile Tools & Eq Expense		4,448.05	4,448.05
61141112	Tools&Oth Wk Eq-Balnce Transfr		244,580.52	244,580.52
61141114	Tools & Oth Wrk Eqp-Exp Clnce		(4,872,797.41)	(4,872,797.41)
61141115	Intro Cs Trnsfr OWE		114,453.95	114,453.95
61141116	Tools & Oth Wk Eqpt-Shop Equip		120.85	120.85
61141117	Tools&Oth Wk Eq-Tools & Wk Eq		5,693,498.15	5,693,498.15
61141118	Tools & Other Wk Eqpt-Repairs		1,544,747.70	1,544,747.70
61141119	Tools & Oth Wk Eq-Plt Non-Spec		231.02	231.02
61141120	Tools & Other Wk Eqpt-Misc		45,793.64	45,793.64
61141122	Tools & Oth Wk Eq-Garage Wk Eq		374,659.53	374,659.53
61141123	Tools&Oth Eq-Oth Wk-Dist Cost		116.71	116.71
61210000	Lnd & Bldg Exp-Operat Rents-C		32,998.65	32,998.65
61211000	Land & Building Exp-All Oth C		(8,592,308.44)	(8,592,308.44)
61211100	L&B - Leased - Mtce - Routine		6,064,061.57	6,064,061.57
61211111	Dir Labor House Srv Routine		1,326,546.60	1,326,546.60
61211112	Housekeep Cont Serv Routine		3,996,053.31	3,996,053.31
61211113	Housekeep Supplies Routine		254,937.43	254,937.43


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
Account #	GAAP Basis		Ending	Ending
EXPENSES	Reg Account Description		Balance	Balance
61211114	Electric Power Util Routine		8,142,970.28	8,142,970.28
61211115	Fuel Util Routine		3,346,539.59	3,346,539.59
61211116	Water And Sewage Util Routine		880,011.55	880,011.55
61211117	Guard Service Routine		51.49	51.49
61211118	Misc House Service Routine		130,137.24	130,137.24
61211119	Cont Snow Removal Routine		3,532,048.74	3,532,048.74
61211120	Cont Scavenger Service Routine		1,019,552.81	1,019,552.81
61211121	Cont Lawn Service Routine		13,308.83	13,308.83
61211122	Dir Labor House Srv Special		(348.67)	(348.67)
61211123	Housekeep Cont Serv Special		(123.33)	(123.33)
61211129	Misc House Service Special		305,637.96	305,637.96
61211131	Cont Scavenger Service Special		395.20	395.20
61211132	Cont Lawn Service Special		7,307.14	7,307.14
61211134	Operating Leases-Land & Bldg		16,892,985.32	16,892,985.32
61211136	Cost Trfr Bldg Mant Exp		1,120,527.50	1,120,527.50
61211138	Cost Trfr Bldg Exp Oper Rent		(10,662,734.41)	(10,662,734.41)
61211141	Housekeep Grp Supervsn Routine		223,834.73	223,834.73
61211149	Owned Bldg Maint Special		669.84	669.84
61211150	L - B-Rents Real Property		35,929,851.98	35,929,851.98
61211159	Misc House Service Special		(6,597.68)	(6,597.68)
61211200	L&B - Owned - Mtce - Routine		13,219,870.79	13,219,870.79
61212000	Land & Building Owned-ICC-C		12,197,782.06	12,197,782.06
61216118	L - B-Auth Eng-Rearrg-Other		3,295.55	3,295.55
61216121	L - B-Plant Auth-Rearrg-Envrml		99.21	99.21
61220000	Furniture & Artwork Expense-C		744,219.98	744,219.98
61220002	Artworks Expense - R&R		113.76	113.76
61221000	Furniture & Artwork Exp-ICC-C		26,758.22	26,758.22
61222100	Furn & Art-Rearr & Chgs-Furn		534,875.62	534,875.62
61222200	Furn & Art-Furn-Ordinry Repair		192,570.50	192,570.50
61222300	Furn & Art-Rearr & Chgs-Art		171.77	171.77
61230000	Office Equipment Expense-C		273,157.45	273,157.45
61230007	Off Eq-Mass E911 Eq Repair		357,175.67	357,175.67
61230008	Off Eq-Mass E911 Eq Rearrng		5,973.79	5,973.79
61230017	Off Eq-Cost Trans 5B0K		(296.86)	(296.86)
61231000	Office Equipment Exp-ICC-C		1,435,920.93	1,435,920.93
61232100	Office Equip-Cost Trns-Supplies		200,314.26	200,314.26


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
Account #	GAAP Basis		Ending	Ending
EXPENSES	Reg Account Description		Balance	Balance
61232200	Office Equip-ICC-Ofc Support		(34,152.64)	(34,152.64)
61232300	Ofc Eq-ICC-Office Sprt-Ord Rpr		705,732.49	705,732.49
61232500	Of Spr-Ofcl Co Com-Voice-Rearr		173,747.94	173,747.94
61232600	Of Spr-Co Com-CCE In Voic RR		332.42	332.42
61232700	Of Sp-Ofcl Co Com-Voice-Repair		2,456,445.90	2,456,445.90
61240000	General Purpose Computer Exp-C		8,479,844.27	8,479,844.27
61241000	Genrl Purp Computer Exp-ICC-C		9,729,533.73	9,729,533.73
61241100	Genl Purp Comp --Cust Billing		297,906.37	297,906.37
61241300	Genl Purp Comp-Emp Recrds Oth		20,101.56	20,101.56
61241400	Genl Purp Comp-Genl Inventory		60,219.42	60,219.42
61241500	Genl Purp Comp -Trouble Anlys		7,106,304.25	7,106,304.25
61241600	Genl Purp Comp-Service Order		833,275.59	833,275.59
61241700	Gen Purp Comp -Regulated		10,941,118.41	10,941,118.41
61241800	Genl Purp Comp-Accounting		18,387.90	18,387.90
61241900	Genl Purp Comp-Common		10,723,305.06	10,723,305.06
61247000	NR Genl Purp Computer Eq		(2,415.48)	(2,415.48)
62110000	Analog Electronic Expense-C		2,444,585.12	2,444,585.12
62120000	Digital Electr Sw Exp		72,328,986.21	72,328,986.21
62121000	Digit Elec Swtch Exp - ICC - C		11,972.80	11,972.80
62123200	Digit Elec-Packet Switching Eq		19,699.50	19,699.50
62124000	Digital Electronic Expense-R		182,949.93	182,949.93
62124100	Digital Electronic Exp-SNFA-R		2,705.89	2,705.89
62128000	Digital Electronic Expense-NR		114,308.17	114,308.17
62204000	Operator Systems Expense-R		187,482.14	187,482.14
62204100	Operator Systems Exp-ICC-R		17,579.18	17,579.18
62314000	Radio Systems Expense-R		63,883.11	63,883.11
62320000	Circuit Equipment Expense-C		29,349,910.88	29,349,910.88
62324000	Circuit Equipment Expense-R		23,170,317.69	23,170,317.69
62324100	Circuit Equip Exp-ICC/SNFA-R		9,133.47	9,133.47
62328000	Crct Eq Exp-Fully Ded NR Eq		75,012.48	75,012.48
63517000	Public Tele Term Equip Exp-NR		5,435,104.89	5,435,104.89
63620000	Ot Trm Eq Ex-No Acs/No Trble-C		830.74	830.74
63620010	Ot Trm Eq Ex-No Access-C		1,922,226.24	1,922,226.24
63620020	Ot Trm Eq Ex-No Trouble-C		4,739,584.50	4,739,584.50
63620030	Othr Term Exp-Com Travel Time		4,152,478.65	4,152,478.65
63624000	Other Terminal Equipment Exp-R		9,167,670.47	9,167,670.47


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
	GAAP Basis		Ending	Ending
Account #	Reg Account Description		Balance	Balance
EXPENSES				
63625000	Other Term Eq Exp-IPFR-R		4,377,755.88	4,377,755.88
63627000	Other Term Eq Ex-NR-Prod & Srv		34,862,021.86	34,862,021.86
63627010	NR FFTP-Video Prgm Content		1,739.75	1,739.75
63628000	Other Term Eq Exp-All Other-NR		(607,946.62)	(607,946.62)
64110000	Poles Expense-C		2,192,557.55	2,192,557.55
64111000	Pole Expenses		14,453.02	14,453.02
64210000	Aerial Cable Expense-C		121,884.71	121,884.71
64211000	Aerial Cable Expenses		8,381,452.74	8,381,452.74
64212000	Aerial Cbl -Mtlc Repairs/Rear		229,253,773.51	229,253,773.51
64213000	Aerial Cbl NMtlc Rep/Rearrng		923,661.63	923,661.63
64214000	Aerial Cable Expense-R		99.51	99.51
64222000	Undrgd Cbl Mtlc Rep/Rearrng		35,489,047.77	35,489,047.77
64223000	Undrgd Cbl NMtlc Rep/Rearrng		825,913.66	825,913.66
64230000	Buried Cable Expense-C		19.21	19.21
64232000	Buried Cable - Metallic Exp		13,471,279.31	13,471,279.31
64233000	Bur Cbl-NMet-Rearr/Repairs		30,887.79	30,887.79
64234000	Buried Cable Expense-R		155,151.47	155,151.47
64242000	Submarine Cbl-Mtlc Rep/Rearrng		1,588.30	1,588.30
64243000	Submarine Cbl NonMtlc Rep/Rear		395.93	395.93
64260000	Intrabuilding NW Cable Exp-C		600.81	600.81
64262000	Intrabld Nwk Cbl-Mtlc Rep/Rear		2,766,437.35	2,766,437.35
64263000	Intrabld Nwk Cbl-NMtlc Rep/Rrg		1,922.61	1,922.61
64410000	Conduit Systems Expense-C		6,698.43	6,698.43
64411000	Conduit Systems		11,084,851.79	11,084,851.79
64504110	Net Slvge Exp-OSP Poles		9,904,457.97	.00
64504211	Net Slvge Exp-OSP Aerial-Metlc		3,759,386.53	.00
64504212	Net Slvge Exp-OSP Aerial NMtlc		450,412.72	.00
64504221	Net Slvge Exp-OSP Undr-Mtlc		3,794,446.90	.00
64504222	Net Slvge Exp-OSP Undr NMtlc		316,733.90	.00
64504231	Net Slvge Exp-OSP Buried Mtlc		226,267.45	.00
64504232	Net Slvge Exp-OSP Buried NMtlc		790.51	.00
64504241	Net Slvge Exp-OSP Sub Mtlc		405.73	.00
64504261	Net Slvge Exp-OSP Intra Mtlc		145,754.76	.00
64504262	Net Slvge Exp-OSP Intra NMtlc		43.52	.00
64504400	Net Slvge Exp-OSP Conduit		530,175.21	.00
65120000	Provisioning Expense-C		12,082.65	12,082.65


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
Account #	GAAP Basis		Ending	Ending
EXPENSES	Reg Account Description		Balance	Balance
65121211	Gen Merch - Warehouse Svcs		1,142,461.94	1,142,461.94
65121212	Gen Merch - Inventory Plng		49,833.03	49,833.03
65121213	Gen Merch -Storem/Transprt		5,508,113.81	5,508,113.81
65121215	Gen Merch-Inbnd Frght-Cntl Stk		1,051,866.08	1,051,866.08
65121217	Gen Merch-Inv Adjsmnt-Cntrl Stk		(98,172.42)	(98,172.42)
65121218	Gen Merch - Other		832,869.92	832,869.92
65121219	Gen Merch - Clearance		(8,378,275.11)	(8,378,275.11)
65121221	CO Plug-In - Warehouse Svc		723,071.39	723,071.39
65121223	CO Plug-In - Transprt Svc		423,844.72	423,844.72
65121224	CO Plug-In-Eng Storeroom Svcs		511,678.73	511,678.73
65121227	CO Plug-In - Inventory Adjsmnt		(164.82)	(164.82)
65121228	CO Plug-In Other		1,904.69	1,904.69
65121229	CO Plug-In - Clearance		(1,638,109.24)	(1,638,109.24)
65121231	CO Hardwired-Warehouse Svcs		757,015.20	757,015.20
65121239	CO Hardwired - Clearance		(748,087.32)	(748,087.32)
65121241	Prov Exp No Clmce - VARTAC		241,820.24	241,820.24
65121242	Prov Exp No Clmce- Logistics		1,108,930.31	1,108,930.31
65121243	Prov Exp No Clrc-From 65121219		128,599.89	128,599.89
65121244	Prov Exp-Gen Mrch Obsol/Shrnkg		1,645,565.99	1,645,565.99
65121245	Prov Exp-PICS Inv Obsol/Shrnkg		2,083,584.64	2,083,584.64
65122118	CO Provsng -Empl Dist		4,794.26	4,794.26
65310000	Power Expense-C		(151.18)	(151.18)
65311000	Power Expense-Purchased-C		33,541,527.09	33,541,527.09
65320000	NW Adm Exp-Instll Cntrl Cntr-C		21,075,719.17	21,075,719.17
65321000	NW Adm Ex-Support & Gnrl Adm-C		10,728,028.98	10,728,028.98
65321100	NW Adm Exp - Facil Assignm - C		272,204.28	272,204.28
65324000	Network Adm Exp-All Other-R		3,440,002.83	3,440,002.83
65327000	Network Adm Exp-NR-Prod & Serv		11,825.06	11,825.06
65330000	Tstng Ex-Cust Trbl Rprts Tst-C		5,824,406.43	5,824,406.43
65331000	Tstng Exp-Public Tel Testing-C		492,764.30	492,764.30
65332000	expense		867,298.86	867,298.86
65334000	Tstng Exp-Sbscrbr Line Test-R		2,264,484.39	2,264,484.39
65334500	Testing Exp-Srv Order Tstng-R		7,448,590.46	7,448,590.46
65335000	Tstng Ex-Interoffice Testing-R		20,901,924.29	20,901,924.29
65335100	Testing Exp-Interofc Testing		2,392,522.43	2,392,522.43
65337000	Testing Exp-NR Prod & Serv		8,543.03	8,543.03


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
Account #	GAAP Basis		Ending	Ending
EXPENSES	Reg Account Description		Balance	Balance
65340000	Plant Operations Adm Expense-C		45,611,447.06	45,611,447.06
65340010	Plant Oper Adm Exp-Fc Grp 10-C		12,704,847.92	12,704,847.92
65340020	Plant Oper Adm Exp-FG 20-C		6,582.54	6,582.54
65340030	Plant Operatns Adm Exp-FG 30-C		8,377,210.84	8,377,210.84
65340040	Plant Operatns Adm Exp-FG 40-C		26,812,839.01	26,812,839.01
65340050	Plant Operatns Adm Exp-FG 50-C		8,923,281.26	8,923,281.26
65340051	Plant Operatns Adm Exp-FG 51-C		187,942.92	187,942.92
65340052	Plant Operatns Adm Exp-FG 52-C		48,076.10	48,076.10
65340060	Plant Operatns Adm Exp-FG 60-C		626,739.37	626,739.37
65340070	Plant Operatns Adm Exp-FG 70-C		7,485.75	7,485.75
65340090	Plant Operatns Adm Exp-FG 90-C		343,060.57	343,060.57
65341113	Plt Spec Plt Oper Exp		1,035,596.36	1,035,596.36
65341115	Crp Oh-BI To/By Oth Plt Op Ad		(792.18)	(792.18)
65343000	Plt Oper Exp-Clrnc to Plant-Cr		(6,774,822.54)	(6,774,822.54)
65347000	Plant Oper Exp- NR-Prod & Serv		36,926.98	36,926.98
65348100	PYROLL/BENF EXP-NREG AFFL EMP		2,040,993.70	2,040,993.70
65350000	Engineering Exp-All Other-C		2,040,360.82	2,040,360.82
65350010	Engineerg Exp-All Othr-FG 10-C		232,149.47	232,149.47
65350020	Engineerg Exp-All Othr-FG 20-C		11,208,653.14	11,208,653.14
65350030	Engineerg Exp-All Othr-FG 30-C		1,429,884.72	1,429,884.72
65350040	Engineerg Exp-All Othr-FG 40-C		338,736.07	338,736.07
65350050	Engineerg Exp-All Othr-FG 50-C		10,042.59	10,042.59
65350060	Engineerg Exp-All Othr-FG 60-C		827,988.21	827,988.21
65351000	Eng Ex-Support & General Adm-C		186,095.06	186,095.06
65351020	Eng Ex-Supt & Genl Adm-FG 20-C		61,663.91	61,663.91
65352100	Eng Exp-Land & Building Eng		38,867.85	38,867.85
65353000	Engineering-Clrnc to Plant-Cr		(1,085,511.04)	(1,085,511.04)
65354000	Eng Exp-Technology Planning-R		8,723.09	8,723.09
65354020	Eng Exp-Techng Plang-FG 20-R		935,757.96	935,757.96
65354100	Eng Exp-All Other		5,120,044.98	5,120,044.98
65357000	Engineering Exp-NR-Prod & Serv		2,066,293.73	2,066,293.73
65404000	Access Expense - Inter - R		46,274,748.92	46,274,748.92
65404100	Access Expense-Intra-R		67,988,613.18	67,988,613.18
65611111	Depr Exp-TPIS-Buildings		27,754,099.07	21,002,791.69
65611121	Depr Exp-TPIS-Gnrl Purp Cmptrs		14,212,869.23	20,418,416.26
65611131	Dep Exp-TPIS-Motor Vehicles		7,329,041.72	4,558,342.55


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
	GAAP Basis		Ending	Ending
Account #	Reg Account Description		Balance	Balance
EXPENSES				
65611141	Depr Exp-TPIS-Tools&Oth Wrk Eq		7,751,282.75	4,402,196.90
65611161	Depr Exp-TPIS-Furniture		457,506.60	678,632.04
65611171	Depr Exp-TPIS-Co. Comm&Offc Eq		662,784.51	(1,223,074.59)
65612111	Depr Exp-TPIS-COE Switch		122,828,831.80	157,109,705.67
65612121	Depr Exp-TPIS-COE Opertr Systm		1,267,358.26	910,832.58
65612131	Depr Exp-TPIS-Radio		112,970.01	230,370.79
65612141	Depr Exp-TPIS COE Circut Trans		220,168,313.46	253,974,356.04
65613111	Depr Exp-TPIS-Terminal Eqpmnt		9,016,270.03	14,957,475.01
65614111	Depr Exp-TPIS-Poles		11,768,781.28	26,906,731.80
65614121	Depr Exp-TPIS-Aerial Cable		107,796,133.40	149,847,913.26
65614131	Depr Exp-TPIS-Undrground Cable		45,553,550.63	69,598,774.43
65614141	Depr Exp-TPIS-Buried Cable		6,468,418.91	10,858,967.74
65614151	Depr Exp-TPIS-Submarine Cable		6,473.04	7,387.03
65614161	Depr Exp-TPIS-Intra-Bldg Ntwk		2,151,801.70	2,999,946.80
65614171	Depr Exp-TPIS-Conduit		13,627,642.94	16,671,931.32
65617111	Depr Exp-TPIS-NR Tangble Plant		4,288,201.54	4,288,201.54
65632111	Amtztn Exp-Tangible Lshld Impr		9,102,244.97	9,244,019.51
65641111	Amtztn Exp-Intngbls and Ntwk		36,278,301.02	36,278,301.02
65641121	Amrtiztn Exp-Non Ntwk Sftwre		14,625,820.03	14,625,820.03
65650000	Amortization Exp-All Other-C		1,501,844.65	.00
66111000	Product Management Exp-SG&A-C		29,910,035.28	29,910,035.28
66112000	Product Mngmnt Exp-Residual-C		2,742,939.57	2,742,939.57
66113000	Product Management		1,078,853.50	1,078,853.50
66114000	Prod Mgt Exp-Mgt Activities-R		8,957,969.70	8,957,969.70
66117000	Prod Mgt Exp-NR-Prod & Serv		759,693.86	759,693.86
66120100	Sales Expense - E911		2,757,677.52	2,757,677.52
66121000	Sales Expense-SG&A-C		23,605,658.36	23,605,658.36
66121500	Sales Exp-Residence DM/DR		71,333.99	71,333.99
66122000	Sales Exp-Mgt Act-Residual-C		(1,832,130.08)	(1,832,130.08)
66124000	Sales Expense-Mgt Activities-R		20,816,617.75	20,816,617.75
66125200	Sales Exp-Reg Promo Sales Exp		51,918.00	51,918.00
66127000	Sales Ex-NR-Mgt Act-Prod & Ser		1,338,931.88	1,338,931.88
66131000	Product Adv Exp-SG&A-C		2,717,156.40	2,717,156.40
66132000	Product Adv Exp-Residual-C		4,782,014.70	4,782,014.70
66132100	Product Adv Ex-Cost Tran-Res-C		101,852.42	101,852.42
66133100	Prod Adv-Call Guide Exp-DSI		(1.40)	(1.40)


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
	GAAP Basis		Ending	Ending
Account #	Reg Account Description		Balance	Balance
EXPENSES				
66134000	Product Adv Exp-Mgt Act-R		2,861,619.65	2,861,619.65
66137000	Prod Adv Ex-NR-Prod & Serv		331,793.53	331,793.53
66214000	Call Completion Services Exp-R		8,640,522.22	8,640,522.22
66217100	Call Ctr Mgmt & Admin Svc		472,092.03	472,092.03
66222000	CUS OPNS-DA-COMMON		44,223,010.68	44,223,010.68
66224000	Number Serv Ex-Direct Assist-R		580,255.76	580,255.76
66227000	Cus Ops-DA-Nonreg		1,797,570.59	1,797,570.59
66230000	Cust Serv Exp-Serv Order Act-C		3,884,048.03	3,884,048.03
66230100	Cust Serv Ex-Serv Order ICSC-C		28,475,200.36	28,475,200.36
66230200	Cus Sv Ex-Sv Ord Act-RSC/BSC		8,782,180.12	8,782,180.12
66230300	Cus Sv Ex-Sv Ord Act-Public		307,881.25	307,881.25
66230400	Cus Sv Ex-Sv Ord Act-Dmnd Sls		65,364,893.12	65,364,893.12
66230500	North Only-No Desc Available		1,665,310.98	1,665,310.98
66230600	Customer Services		2,941,622.90	2,941,622.90
66230700	Customer Services		35.77	35.77
66231000	Cs Sr Ex-Ac Mnt & Cst Blg-EU-C		7,845,289.98	7,845,289.98
66231100	Cs Sr Ex-Ac Mn & Cs BI-Cs BI-C		119,809.39	119,809.39
66231200	Cs Sr Ex-Ac Mn & Cs BI-Sr Or-C		112.64	112.64
66231300	Cust Crdntn Svc-SACS/VCS-Commn		165,191.43	165,191.43
66231500	Customer Services		9,676,950.44	9,676,950.44
66231600	Cust Serv-Bus Center-Training		62,122.13	62,122.13
66231700	Cust Serv-Residence-Training		9,397.34	9,397.34
66231900	Customer Services		99.04	99.04
66232000	Cs Sr Ex-Ac Mn & Cs BI-In&Sp-C		33,560,914.73	33,560,914.73
66232100	Cs Sr Ex-Ac Mn & Cs BI-Cell-C		56.14	56.14
66232200	Cs Sr Ex-Ac Mn & Cs BI-CABS-C		626,421.46	626,421.46
66232300	Cs Sr Ex-Ac Mn&C BI-ICSC Inq-C		170,866.19	170,866.19
66232400	Cus Sv Ex-Billing Inq-EU		8,038,330.92	8,038,330.92
66233000	Cs Sr Ex-SG&A-All Other-C		11,754,654.58	11,754,654.58
66233100	Cs Sr Ex-SG&A-ICSC-C		2,938,644.62	2,938,644.62
66233200	Cs Sr Ex-SG&A-NW Shared Fac-C		65,816.83	65,816.83
66233500	Customer Services		9,198.98	9,198.98
66233800	Customer Services		5,658,060.69	5,658,060.69
66234000	Cust Serv Exp-Cust Instruct-R		328,117.49	328,117.49
66235000	Cs Sr Ex-Ac Mn & Cs BI-Ac Mn-R		247,838.13	247,838.13
66235100	Cs Sr Ex-Ac Mn&Cs BI-Cs Blg-R		1,578,257.43	1,578,257.43


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
Account #	GAAP Basis		Ending	Ending
EXPENSES	Reg Account Description		Balance	Balance
66235200	Cs Sr Ex-Ac Mn & Cs BI-Misc-R		2,020,109.29	2,020,109.29
66236000	Cs Sr Ex-Pub Tel Clct, Rprt-R		(429,020.23)	(429,020.23)
66236100	Cs Sr Ex-Pub Tele Commission-R		146,018.89	146,018.89
66236200	Cust Serv-Pub Tel Agent Com-R		170,872.70	170,872.70
66236300	Tel Relay Svc Exp		1,984,710.52	1,984,710.52
66237000	Cust Serv Exp-Ref to Others-NR		4,374.69	4,374.69
66238000	Cust Serv Exp-Pub Tel-NR		5,818,075.58	5,818,075.58
66238100	Cs Sr Ex-Instr CST/Use-NR		130,044.30	130,044.30
66238200	Cs Sr Ex-Ac Mn&Cs BI-AcMn-NR		249,310.83	249,310.83
67110000	Exec Exp-Eng & Plant Oper-C		5,687,861.50	5,687,861.50
67110500	Exec Exp-Marketing Operation-C		256,763.33	256,763.33
67111000	Exec Exp-Operator Services-C		6,445.97	6,445.97
67111500	Exec Exp-Customer Services-C		14,764.69	14,764.69
67112000	Exec Exp-Corporate Operation-C		2,403,315.13	2,403,315.13
67112500	Exec Exp-All Other-C		(109,311.88)	(109,311.88)
67117000	Executive Exp-Public-NR		7,907.36	7,907.36
67120000	Corporate Planning Exp-SG&A-C		1,637,484.14	1,637,484.14
67124000	Corp Planning Exp-All Other-R		371,034.90	371,034.90
67127000	Corp Planning Exp-All Other-NR		5,111.21	5,111.21
67210000	Acctg and Finc Exp-Payroll-C		615,514.59	615,514.59
67211000	Acc & Fin Ex-Invst & Cst Opr-C		197,363.28	197,363.28
67212000	Acc & Fin Ex-Gen Ac & Fin Sr-C		15,523,146.66	15,523,146.66
67214000	Acctg & Finc Exp-Depr & Val-R		39,410.61	39,410.61
67215000	Acctg & Finc Exp-Regulated		2,442,565.86	2,442,565.86
67217000	Acctg & Finc Exp-Depr & Val-NR		3,650.39	3,650.39
67220000	Extrnl Rel Exp-Corp Adv-C		13,084,998.86	13,084,998.86
67221000	Extrnl Rel Exp-Ext Rel-Genrl-C		(178,944.18)	(178,944.18)
67221200	External Relations Exp-PR-Genl		194,549.69	194,549.69
67222000	Extrnl Rel Exp-SG&A-C		1,864,070.62	1,864,070.62
67224000	Extrnl Rel Exp-Extrnl Affair-R		5,799,059.11	5,799,059.11
67227000	Extrnl Rel Exp-NR-Prod & Serv		16,870.20	16,870.20
67230000	Human Resources Expense-C		24,937,928.31	24,937,928.31
67231000	Hum Res-Reim Acct Cost-C		178.13	178.13
67232000	Human Res-Mgmt&Gen Skill Train		9,540.69	9,540.69
67240000	Information Mgt Exp-C		27,476,021.68	27,476,021.68
67241000	Info Mgmt Exp-Planning & Admin		382,809.20	382,809.20


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
Account #	GAAP Basis		Ending	Ending
EXPENSES	Reg Account Description		Balance	Balance
67242100	Info Mgmt Exp-Customer Billing		2,663,840.17	2,663,840.17
67242200	Information Mgt Exp-Software		2,493,433.03	2,493,433.03
67242300	Info Mgmt Exp-Emp Records-Oth		71,764.36	71,764.36
67242400	Info Mgmt Exp-Genl Inventory		35,398.40	35,398.40
67242600	Info Mgmt Expnse-Service Order		8,366.23	8,366.23
67242700	Info Mgmt Expense-Regulated		5,728,547.10	5,728,547.10
67242800	Info Mgmt Expense-Accounting		8,703.16	8,703.16
67242900	Info Mgmt Expense-Common		15,486,921.20	15,486,921.20
67247000	Info Mgt Exp-NR-Prod & Serv		876,849.18	876,849.18
67247100	Info Mgmt Exp-E911		710,798.92	710,798.92
67250000	Legal Exp-Labor & Personnel-C		8,787,201.43	8,787,201.43
67251500	Legal Exp-SG&A-C		126,998.09	126,998.09
67254000	Legal Exp-Oper Mat,Pat,Antst-R		50,658.43	50,658.43
67257000	Legal Exp-NR-Prod & Serv		18,381.42	18,381.42
67260000	Procmnt Exp-Cent Order Proc-C		1,256,595.58	1,256,595.58
67261000	Prcmnt Ex-Prd Sel & Rgl Cntr-C		1,356,269.88	1,356,269.88
67262000	Procmnt Exp-SG&A-C		37,287.33	37,287.33
67270000	R & D Exp-General Projects-C		1,448,537.31	1,448,537.31
67277000	R & D Exp-NR-Prod & Serv		13,142.32	13,142.32
67280000	OG&A Exp-Benefit Pmt for Emp-C		77,723,835.03	132,605,369.87
67280100	OG&A Exp-Benefit Pmt-Retiree-C		(36.14)	(36.14)
67280110	OG&A Exp Bnft Pymt Inactive Emp		491,896.19	491,896.19
67280200	OG&A Exp-TRG P&B Exp		6,496.52	6,496.52
67280300	SPB Uncollect Write-Off		5,567,705.56	5,567,705.56
67280310	SPB Cancellations Undr \$15,000		94,926.39	94,926.39
67280500	OG&A Exp-Centralized Adm Serv-		6,827,488.34	6,827,488.34
67281000	OG&A Exp-Interexchange Carrier		10,711,922.82	10,711,922.82
67281100	Other G&A-Cntrl Adm Srv OCS-C		1,090,225.15	11,627,742.03
67281500	OG&A Exp-General & Adm-Other-C		7,980,284.21	7,980,284.21
67281550	PreDiv Ret Conc Sv Ex VZ LD		80,344.25	80,344.25
67281608	OG&A Exp-NSI ROI-NSI-C		(5,940,566.16)	(5,940,566.16)
67281609	OG&A Exp-NSI ROI-BAC-C		13,814,802.43	13,814,802.43
67281702	OG&A Exp-IC Car Cg-MD-C		12,905.53	12,905.53
67281703	OG&A Exp-IC Car Cg-VA-C		43,764.02	43,764.02
67281705	OG&A Exp-IC Car Cg-PA-C		7,214.59	7,214.59
67281707	OG&A Exp-IC Car Cg-NJ-C		170,721.72	170,721.72


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
Account #	GAAP Basis		Ending	Ending
EXPENSES	Reg Account Description		Balance	Balance
67281713	OG&A Exp-IC Car Cg-BANFC-C		139,625.58	139,625.58
67281725	Interco Carry Chgs - NE		2,785,328.56	2,785,328.56
67281726	Interco Carry Chgs - NY		60,018.59	60,018.59
67281800	IUB from East OTC to West OTC		35.56	35.56
67282000	OG&A Exp-Gen & Adm-Emp Relat-C		(2,018,249.12)	19,300,832.07
67282200	Other G&A Exp-Ext Orgs-C		51,377.52	51,377.52
67282500	OG&A Exp-Genrl & Adm-EAS		(823,248.04)	(823,248.04)
67282600	CLEC Pen Perf Assur/Intercnntn		3,534,038.78	2,334,038.78
67283001	Lobbying Chrgs(Tax Deductible)		8,245.52	8,245.52
67283002	St & Fed Lobbying(Not-Tax Ded)		1,611,267.78	1,611,267.78
67283003	PAC Admin Chrgs(Not-Tax Dedct)		42,121.82	42,121.82
67283009	Alloc Lobbying Exp (73703000)		(1,504,176.30)	(1,504,176.30)
67284000	OG&A Exp-General & Adm-R		(1,866,709.64)	(1,866,709.64)
67287000	OG&A Exp-NR-Prod & Serv		1,186,401.14	1,186,401.14
67287012	NR FTTP-Othr-PEG/INTEL-Video		521,448.00	521,448.00
67289999	PS Journalized Errors		160,354.34	160,354.34
71100000	Oth Op - Inc from Custom Work		(1,555,600.16)	(1,555,600.16)
71500000	Oth Op - G/L - Disp Land/Art		(2,498,036.16)	(2,498,036.16)
71601920	Oth Op - Inc - Misc Other		966,870.61	966,870.61
71601930	Oth Op-Inc-AP Audit Recovries		(14,440.79)	(14,440.79)
71602300	Oth Op-Chg-AP Audit Recvry Fee		(2,785.40)	(2,785.40)
71604000	Oth Op- Misc Direct Assign-Reg		(9,992.92)	(9,992.92)
71609999	Oth Oper Inc & Exp-Other		(7,803.07)	(7,803.07)
72102000	Investment Tax Credit Amortiz		(805,224.00)	(1,353,156.00)
72201000	Curr Fed Inc Tax Exp - Oper		46,076,517.25	46,076,517.25
72301000	Curr St/Loc Inc Tax Exp - Oper		12,439,806.37	12,439,806.37
72401100	Op Tax- Property Taxes		69,643.78	69,643.78
72401112	Op Tax- RE Prop-Real-NPub Util		354,695.96	354,695.96
72401122	Op Tax- RE Prop-Pers-NPub Util		71,414.23	71,414.23
72401413	Oper TaxProp Tax-Lnd & Bldg		220,794.91	220,794.91
72401418	Oper Tax-Prop Tax-Bild to Othr		(306.11)	(306.11)
72401512	Oper Taxes-Other-Prop Tax-MA		35,672,000.00	35,672,000.00
72401711	Oper Taxes-Other-Real Estate		693,122.16	693,122.16
72403100	Op Tax-St/Loc Gross Receipt Tx		65.61	65.61
72403200	Op Tax- State Reg Assess Fees		1,102,049.47	1,102,049.47
72404000	Op Tax-Cap St/Fran/Nt Worth Tx		98,536.16	98,536.16


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
Account #	GAAP Basis		Ending	Ending
EXPENSES	Reg Account Description		Balance	Balance
72404100	Operating Other Taxes-CST		180,000.00	180,000.00
72405000	Op Tax- FCC Reg Fees		694,023.76	694,023.76
72406620	Op Tax- Loc License Fees & Oth		5.56	5.56
72406650	Oper Tax-Other-Sales & Use Tax		2,697,191.69	2,697,191.69
72406790	Op Tax- Non-asset - All Other		(2,368.87)	(2,368.87)
72501100	Defd Fed Prop Tax Exp - Prime		(45,763,211.00)	(90,628,032.37)
72501300	Non-Curr Defd Fed Non-Prop Exp		947,029.00	(26,680,835.09)
72501400	Current Defd Fed Non-Prop Exp		2,963,589.00	1,397,482.29
72502100	Defd State Prop Tax Exp		(6,398,189.00)	(15,978,972.35)
72502200	N-Curr Defd State Non-Prop Exp		102,627.00	(4,912,851.62)
72502300	Cur Def'd State Non-Prop Exp		525,572.00	(344,880.18)
73201100	Nonop - Int Inc - Delinq Accts		(410.48)	(410.48)
73201200	Nonop - Int Inc - Temp Invest		(2,053,143.53)	(2,053,143.53)
73201920	Interest Income-Other		(1,123,846.52)	(1,123,846.52)
73400000	Nonop Inc/Exp - AFUDC		(8,336,198.36)	(8,336,198.36)
73500000	Nonop Inc&exp-G/L/Disp of Prop		(1,108.30)	(1,108.30)
73601800	Nonop Inc&Exp-SMS 800 Data Svc		(36,676.72)	.00
73601900	Nonop - Inc CR - All Other		(513,244.64)	(513,244.64)
73601930	Nonop Inc/Exp-Gain on Hedges		(34,531,383.73)	(34,531,383.73)
73602810	Nonop-Inc Chrg-RAO24-Sep Costs		.00	(15,250,541.79)
73602900	Nonop-Inc Chrg - All Other		6,169,913.16	6,169,913.16
73602930	Nonop Inc/Exp-Loss on Hedges		34,531,383.73	34,531,383.73
73603312	Earnings or Losses-Affil-TRG		(15,083,708.11)	(15,083,708.11)
73701160	Nonop-Chrg-Char- Co Cont/Match		359.78	359.78
73701210	Nonop-Chrg- Ed Contr-Higher Ed		90,391.15	90,391.15
73701300	Nonop-Chrg- Contrib - Cultural		(88.63)	(88.63)
73701900	Nonop-Chrg- Contrib- All Other		6,067.52	6,067.52
73702250	Special Chrg - Subscriptions		18.28	18.28
73702290	Nonop-Chrg- Members- Oth Clubs		(100.00)	(100.00)
73702900	Nonop-Chrg- Members- Oth Organ		4,185.63	4,185.63
73703000	Nonop - Chrg - Lobbying Exp		1,794,458.23	1,794,458.23
73704000	Nonop - Chrg - Penalt & Fines		512,737.70	512,737.70
73705000	Nonop - Chrg - Abandon Proj		211,937.47	211,937.47
73706111	Spec Chrg-Contrib-Cash		21,520.44	21,520.44
73706212	Spec Chrg-Pioneers Activities		79,308.54	79,308.54
73709200	Nonop- Chrg - Misc - Entertain		282,451.25	282,451.25


SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
Account #	GAAP Basis		Ending	Ending
EXPENSES	Reg Account Description		Balance	Balance
73709900	Nonop - Chrg - Misc - All Oth		765.67	765.67
74200000	Curr Fed Inc Tax Exp - Non-Op		(1,555,198.77)	(1,555,198.77)
74300000	Curr State Inc Tax Exp-Non-Op		(359,039.40)	(359,039.40)
74501000	N-Op Def'd Fed Inc Tax Exp		.00	4,986,365.74
74502000	Non-Op Def'd State Inc Tax Exp		.00	1,003,782.53
75101000	Interest on Funded Debt		105,249,675.60	105,249,675.60
75108000	Amort of Discount on LT Debt		487,473.48	487,473.48
75200000	Interest Exp - Capital Lease		495,243.00	495,243.00
75300000	Amort of Debt Issuance Exp		2,593,675.34	2,593,675.34
75409110	Oth Int - Cap Oblig - BANFC		5,824,966.99	5,824,966.99
75409120	Oth Int-Cap Oblig- BA NSI Hold		5,282,157.69	5,282,157.69
75409190	Oth Int - Cap Oblig - Other		.00	.00
75409210	Oth Int - Cust Deposits - CRIS		2,516.29	2,516.29
75409251	Not Rel to Cap Obl-Cust Over		188.03	188.03
75409280	Oth Int - Misc - NSI Retained		6,039.63	6,039.63
75409290	Other Int - Misc - All Other		504,282.72	504,282.72
79100000	Juris Dif-Inc Eff of Rate Diff		.00	(15,009,422.40)
80009999	PS Journalized Errors		.00	.00
87011100	Emple Ins & Ben-Assoc Med Cost		28,571,539.84	28,571,539.84
87011200	Emple Ins & Ben-Mngmt Med Cost		391,498.15	391,498.15
87012100	Emple Ins & Ben-Assoc Den Cost		5,272,905.85	5,272,905.85
87012200	Emple Ins & Ben-Mngmt Den Cost		656,783.54	656,783.54
87013100	Emple Ins & Ben-Assoc Vis Cost		638,281.47	638,281.47
87013200	Emple Ins & Ben-Mngmt Vis Cost		28,828.91	28,828.91
87014100	Emple Ins & Ben-Assoc HMO Cost		49,141,759.80	49,141,759.80
87014200	Emple Ins & Ben-Mngmt HMO Cost		9,248,550.38	9,248,550.38
87015100	Emple Ins & Ben-Assoc Pen Cost		24,946,747.82	24,946,747.82
87015200	Emple Ins & Ben-Mngmt Pen Cost		(24,365,264.10)	(24,365,264.10)
87016100	Empl Ins & Ben-Assoc OPEB Cost		199,783,129.62	199,783,129.62
87016200	Emple Ins & Ben-Mgt OPEB Cost		25,163,751.86	25,163,751.86
87017100	Emp Ins & Ben-Assoc Lesop Cost		17,850,777.54	17,850,777.54
87017200	Emple Ins & Ben-Mgt Lesop Cost		4,614,776.22	4,614,776.22
87018100	Benefit Clearance to Constr.		(66,816,753.30)	(66,816,753.30)
87018111	Compensated Absence Accrual		21,705.15	21,705.15
87018200	Benefit Clearance to Exp		(296,734,415.59)	(296,734,415.59)
87018211	Group Life Insurance-Mgmt		185,304.03	185,304.03

SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
Account #	GAAP Basis		Ending	Ending
EXPENSES	Reg Account Description		Balance	Balance
87018212	Group Life Insurance-Assoc.		835,790.39	835,790.39
87018400	Benefit Clearance-Comp Absence		(21,695.98)	(21,695.98)
87018500	Benefit Clearance-Monthly Adj		20,585,998.40	20,585,998.40
87019111	Fica Accrual-Management		6,962,284.23	6,962,284.23
87019112	Fica Accrual-Associates		39,825,640.74	39,825,640.74
87019121	Futa Accrual-Management		151,334.88	151,334.88
87019122	Futa Accrual-Associates		676,225.63	676,225.63
87019132	NYS Unemployment Ins. - Assoc.		(137,819.05)	(137,819.05)
87019161	NE Tel St Unempl-Mgmt		252,312.56	252,312.56
87019162	NE Telephone ST Unempl-Mgmt		1,432,586.17	1,432,586.17
87019210	PR Tx Clearance to Const		(11,142,980.74)	(11,142,980.74)
87019220	PR Tx Clearance to Exp		(41,710,670.35)	(41,710,670.35)
87019230	PR Tx Clearance-Monthly Adj.		3,691,085.93	3,691,085.93
87051000	NW Oper Eng Costs-Dir Eng Cost		.00	.00
87051100	NY & NE Dir. Engr. S & W		.00	.00
87051200	NY & NES S&W Annual Pd Ab.		.00	.00
87052000	NW Oper Eng Costs-Adm Eng Cost		.00	.00
87061000	NW Oper Plnt Cst-Dir Plnt Cost		.00	.00
87062000	NW Oper Plnt Csts-Adm Plnt Cst		.00	.00
87063000	Ntwk Op Plnt-Non-Prd Wk Time		.00	.00
87141100	Matrl Reclmtn Exp-Direct Labor		.00	.00
87141200	Matrl Reclmtn Costs-Other Exp		.00	.00
90481200	Uncol. Final A/C Interex Carr.		.00	.00
90630000	Rtrn to Csh & Misc Dep-Trsry		.00	.00
90701000	Cash Clearance-Cash/ (CMR)		.00	.00
90704000	Cash Clearances-SPB		.00	.00
90800000	(BASPS) Out of Balance Amounts		.00	.00
91111111	BU Security Plug		(652,260,857.92)	(652,260,857.92)
95425000	Acctg Trans- Rev/Corp-ULTRA		.00	.00
97501200	Misc Cash Rcpts - NE Vouchers		.00	.00
97721110	NE Transfers bn Geographies		.00	3,671,990.89
97721271	CABS Billing Trans-Massach		.00	.00
97730000	NET Billing---Other Utilities		.00	.00
97770000	BSDOPAC Force Transactions		828,204.95	828,204.95
97777777	BU Security Plug		.00	.00
98009999	PS Journalized Errors		1,421,813.11	(133,471,988.75)

SOURCE: VERIZON MA RESPONSE TO CLEC COALITION 1-10

	Verizon Massachusetts	Last update:	<u>Time</u>	<u>Time</u>
	Reg Account Trial Balance	S_ACTUALS	20:01	20:01
	Period 12 - 2005-12-01, 2005	S_USOA	20:01	20:01
	All Basis	S_STATE	20:01	20:01
CB81 PSUM	Dollars & Cents	Final	GAAP	USOA
Account #	GAAP Basis		Ending	Ending
EXPENSES	Reg Account Description		Balance	Balance
99000000	Balancing account		18,267,282,722.70	18,267,282,722.70
99100000	Plug Account-NE Apportionments		4,347,455,296.16	4,079,912,637.35

AVOIDED COST / RESALE DISCOUNT STUDY - 2005 EXPENSES
 Percent Avoided - Account 6533 Testing
 MA State

Regulatory		Account Description	EOY 2005 Totals		Retail	Wholesale
Line #	Account		D=Financial DB		E*	F**
A	B	C				
8	653310	SERVICE ORDER TESTING	\$	-		\$ -
9	653320	SUBSCRIBER LINE TESTING	\$	-		\$ -
10	653325	CUSTOMER CARE CENTER - COMMON	\$	-	\$ -	
11	653330	TRUNK TESTING	\$	-		\$ -
12	653340	DISPATCH	\$	-	\$ -	
13	653347	REGULATED TROUBLE DISPATCH	\$	-	\$ -	
14	65330000	Tstng Ex-Cust Trbl Rprts Tst-C	\$	5,824,406	\$ 5,824,406	
15	65331000	Tstng Exp-Public Tel Testing-C	\$	492,764		\$ 492,764
16	65332000	expense	\$	867,299		\$ 867,299
17	65334000	Tstng Exp-Sbscrbr Line Test-R	\$	2,264,484		\$ 2,264,484
18	65334500	Testing Exp-Srv Order Tstng-R	\$	7,448,590		\$ 7,448,590
19	65335000	Tstng Ex-Interoffice Testing-R	\$	20,901,924		\$ 20,901,924
20	65335100	Testing Exp-Interofc Testing	\$	2,392,522		\$ 2,392,522
21	65335500	Tstng Exp-Public Tel Testing-R	\$	-		\$ -
22	65337000	Testing Exp-NR Prod & Serv	\$	8,543		\$ 8,543
23	B53320	SUBSCRIBER LINE TESTING	\$	-		\$ -
24	B53325	REPAIR ANSWER CENTER (RAC)	\$	-	\$ -	
25	B53360	SUBSCRIBER LINE TESTING	\$	-		\$ -
29	Grand Total		\$	40,200,534	\$	5,824,406
30	Avoided % = Total Column E/Total Column D					14.49%

* Trouble Report Receipt & Processing sub-accounts associated with End-User Testing (Avoided).

** Network Testing sub-accounts (NOT Avoided).

AVOIDED COST / RESALE DISCOUNT STUDY - 2005 EXPENSES
AVOIDED MARKET MANAGEMENT 6611
2005 TOTAL VERIZON CORE

Market Management Headcount Summary

Line	Headcount by Function (Based on HR Jobcode)	Source	Avoided Assumption	2005 Amount
8	Advertising & Promotions	HR Database	Not Avoided	9
9	Channel Management	HR Database	Avoided	202
10	Database Marketing	HR Database	Not Avoided	71
11	Market Research	HR Database	Avoided	25
12	Marketing	HR Database	Neither Avoided nor Not Avoided*	263
13	Marketing Communications & Branding	HR Database	Not Avoided	102
14	Pricing	HR Database	Not Avoided	59
15	Product Mgmt/Product Devel	HR Database	Not Avoided	927
16	Proposals	HR Database	Avoided	84
17	Grand Total	Sum (Lines 8 - 16)		1,742

Market Management Avoided Cost Calculation

Line	Headcount by Function (Based on HR Jobcode)	Source	2005 Amount
22	Total Avoided	Rows 9, 11, 16	311
23	Total Not Avoided	Rows 8, 10, 13, 14, 15	1,168
24	Total Headcount Avoided or Not-Avoided	Line 22 + Line 23	1,479
25	Avoided Percent	Line 22 / Line 24	21.03%

*This non-technical marketing subfunction is used when a job function cannot be reported specifically as Advertising & Promotions, Channel Marketing, Database Marketing, Marketing Communication & Branding, Market Research, Product/Program Mgt. or Pricing/Proposals. Individuals with these job functions generally carry out assignments for one or more of the marketing subfunctions.

AVOIDED COST / RESALE DISCOUNT STUDY - 2005 EXPENSES
AVOIDED SALES 6612
2005 TOTAL VERIZON CORE

LINE	ENTITY	SOURCE	As Filed by Verizon	ADJUSTMENT NO. 4
			2005 Expense	
7	Domestic Telecom Corporate	Vz Financial Systems	\$115,811,368	N/A
8	Enterprise Solutions Group	Vz Financial Systems	\$208,609,928	N/A
9	Information Technology	Vz Financial Systems	\$392,955	N/A
10	Retail Markets Group	Vz Financial Systems	\$187,290,246	N/A
11	Network Services Group	Vz Financial Systems	\$3,217,496	N/A
12	Telecom Human Resources	Vz Financial Systems	\$52,843	N/A
13	Partner Solutions Group	Vz Financial Systems	\$72,249,278	N/A
14	Total Verizon Core Expenses	Sum (Lines 7 - 13)	\$587,624,113	N/A
16	Fiduciary Group - Included in Corporate	Vz Financial Systems	\$109,721,637	N/A
17	Total Verizon Core without Fiduciary	Line 14 - Line 16	\$477,902,476	N/A
19	Avoided Expenses (Enterprise & Retail Markets)	Line 8 + Line 10	\$395,900,173	N/A
20	Avoided Percent	Line 19 / Line 17	82.84%	100.00%

1

1 Verizon Virginia assumed 100% of Sales expense in Account 6612 was avoided. Same percentage is used here since functional nature of sales expense has not changed.

AVOIDED COST / RESALE DISCOUNT STUDY - 2005 EXPENSES
 Percent Avoided Customer Service - Account 6623 WITHOUT Billing Operations
 Total Verizon

USOA Account 6623 contains expenses for two primary functions: Customer Services and Billing Operations. The Financial Accounting Systems provide a short description of sub-accounts that flow to the USOA 6623. For the Customer Services functions, Verizon sorts these account descriptions into Retail, Wholesale, and Unspecified Categories. Retail includes costs associated with servicing retail end users including Business/Residence Customers or Public PayPhone Customers. Wholesale includes costs associated with servicing carriers and include IXC (Interexchange Carriers), ICSC (Interconnection Service Center), CA (Carrier Access), etc. Unspecified would be anything that in general would provide administrative services for retail and/or wholesale services, or for Billing Operations that will be determined in the secondary analysis for USOA 6623.

ADJUSTMENT NO. 5A IF NO. 5 IS NOT ADOPTED¹

Amount Assigned to:

Unspecified as

Retail or

Wholesale

6623 Direct

Customer Service

Line #	Acct #	Regulatory Account	Source	EOY 2005 Totals	Retail	Wholesale	Unspecified as Retail or Wholesale	6623 Direct Customer Service
A	B	C	D	E	F	G	H *	I = F + G
15	662312	BILL HANDLING & MAILING	Financial DB	\$ 66,345,696			\$ 66,345,696	\$ -
16	662351	BILLING & COLLECTION-INTERSTATE	Financial DB	\$ 35,338			\$ 35,338	\$ -
17	662352	BILLING & COLLECTION-INTRASTATE	Financial DB	\$ 2,368,167			\$ 2,368,167	\$ -
18	662323	COIN TELEPHONE COLLECTIONS	Financial DB	\$ 7,483,584	\$ 7,483,584			\$ 7,483,584
19	662341	COMMON BUS/RES SVC ORDER PROCESSING	Financial DB	\$ 105,196,277	\$ 105,196,277			\$ 105,196,277
20	662321	COMMON CASHIERING OPERATIONS	Financial DB	\$ 23,773,936			\$ 23,773,936	\$ -
21	662345	COMMON CUSTOMER ACCOUNT TREATMENT	Financial DB	\$ 34,001,042	\$ 34,001,042			\$ 34,001,042
22	662340	COMMON CUSTOMER INSTRUCTIONS	Financial DB	\$ 3,349,119	\$ 3,349,119			\$ 3,349,119
23	662330	COMMON CUSTOMER SERVICE ADMINISTRATION	Financial DB	\$ 31,063,162			\$ 31,063,162	\$ -
24	662349	COMMON OTHER CUSTOMER CONTACT	Financial DB	\$ 9,569,363	\$ 9,569,363			\$ 9,569,363
25	662346	COMMON PHONE MART OPERATIONS	Financial DB	\$ 1,055,349	\$ 1,055,349			\$ 1,055,349
26	662342	COMMON RESIDENTIAL SVC ORDER PROCESSING	Financial DB	\$ 104,387,177	\$ 104,387,177			\$ 104,387,177
27	662344	COMMON-END USER BILLING INQUIRY	Financial DB	\$ 96,251,501	\$ 96,251,501			\$ 96,251,501
28	66235000 Cs Sr Ex-Ac Mn & Cs BI-Ac Mn-R		Financial DB	\$ 4,381,937			\$ 4,381,937	\$ -
29	66230201 Cust Svc Exp - Phonemart		Financial DB	\$ 28,081	\$ 28,081			\$ 28,081
30	66232200 Cs Sr Ex-Ac Mn & Cs BI-CABS-C		Financial DB	\$ 6,736,753		\$ 6,736,753		\$ 6,736,753
31	66232100 Cs Sr Ex-Ac Mn & Cs BI-Cell-C		Financial DB	\$ 4,127	\$ 4,127			\$ 4,127
32	66231100 Cs Sr Ex-Ac Mn & Cs BI-Cs BI-C		Financial DB	\$ 938,859			\$ 938,859	\$ -
33	66235200 Cs Sr Ex-Ac Mn & Cs BI-Misc-R		Financial DB	\$ 6,983,028			\$ 6,983,028	\$ -
34	66231200 Cs Sr Ex-Ac Mn & Cs BI-Sr Or-C		Financial DB	\$ 1,589			\$ 1,589	\$ -
35	66232300 Cs Sr Ex-Ac Mn&C BI-ICSC Inq-C		Financial DB	\$ 1,599,959		\$ 1,599,959		\$ 1,599,959
36	66238200 Cs Sr Ex-Ac Mn&Cs BI-AcMn-NR		Financial DB	\$ 2,638,806			\$ 2,638,806	\$ -
37	66235100 Cs Sr Ex-Ac Mn&Cs BI-Cs Blg-R		Financial DB	\$ 14,709,535			\$ 14,709,535	\$ -
38	66231000 Cs Sr Ex-Ac Mnt & Cst Blg-EU-C		Financial DB	\$ 65,993,677	\$ 65,993,677			\$ 65,993,677
39	66238100 Cs Sr Ex-Instr CST/Use-NR		Financial DB	\$ 1,320,545	\$ 1,320,545			\$ 1,320,545
40	66236000 Cs Sr Ex-Pub Tel Clct, Rprt-R		Financial DB	\$ (950,077)	\$ (950,077)			\$ (950,077)
41	66236100 Cs Sr Ex-Pub Tele Commission-R		Financial DB	\$ 4,040,793	\$ 4,040,793			\$ 4,040,793
42	66233000 Cs Sr Ex-SG&A-All Other-C		Financial DB	\$ 7,527,541			\$ 7,527,541	\$ -
43	66233300 Cs Sr Ex-SG&A-Cust Serv-C		Financial DB	\$ 12,836,117	\$ 12,836,117			\$ 12,836,117
44	66233100 Cs Sr Ex-SG&A-ICSC-C		Financial DB	\$ 25,746,736		\$ 25,746,736		\$ 25,746,736
45	66233200 Cs Sr Ex-SG&A-NW Shared Fac-C		Financial DB	\$ 588,358			\$ 588,358	\$ -
46	66232400 Cus Sv Ex-Billing Inq-EU		Financial DB	\$ 229,194,834	\$ 229,194,834			\$ 229,194,834
47	66230400 Cus Sv Ex-Sv Ord Act-Dmnd Sls		Financial DB	\$ 691,472,371	\$ 691,472,371			\$ 691,472,371
48	66230300 Cus Sv Ex-Sv Ord Act-Public		Financial DB	\$ 2,364,754	\$ 2,364,754			\$ 2,364,754
49	66230200 Cus Sv Ex-Sv Ord Act-RSC/BSC		Financial DB	\$ 48,382,535	\$ 48,382,535			\$ 48,382,535
50	66231300 Cust Crdntn Svc-SACS/VCS-Commn		Financial DB	\$ 1,457,801	\$ 1,457,801			\$ 1,457,801

AVOIDED COST / RESALE DISCOUNT STUDY - 2005 EXPENSES
 Percent Avoided Customer Service - Account 6623 WITHOUT Billing Operations
 Total Verizon

USOA Account 6623 contains expenses for two primary functions: Customer Services and Billing Operations. The Financial Accounting Systems provide a short description of sub-accounts that flow to the USOA 6623. For the Customer Services functions, Verizon sorts these account descriptions into Retail, Wholesale, and Unspecified Categories. Retail includes costs associated with servicing retail end users including Business/Residence Customers or Public PayPhone Customers. Wholesale includes costs associated with servicing carriers and include IXC (Interexchange Carriers), ICSC (Interconnection Service Center), CA (Carrier Access), etc. Unspecified would be anything that in general would provide administrative services for retail and/or wholesale services, or for Billing Operations that will be determined in the secondary analysis for USOA 6623.

Customer Services Only Portion of 6623					ADJUSTMENT NO. 5A IF NO. 5 IS NOT ADOPTED ¹				
					Amount Assigned to:				
Line #	Acct #	Regulatory Account	Source	EOY 2005 Totals	Retail	Wholesale	Retail or Wholesale	Unspecified as	6623 Direct Customer Service
A	B	C	D	E	F	G	H *	I = F + G	
51	66234000	Cust Serv Exp-Cust Instruct-R	Financial DB	\$ 2,512,766	\$ 2,512,766				\$ 2,512,766
52	66238000	Cust Serv Exp-Pub Tel-NR	Financial DB	\$ 32,518,984	\$ 32,518,984				\$ 32,518,984
53	66230000	Cust Serv Exp-Serv Order Act-C	Financial DB	\$ 30,973,960	\$ 30,973,960				\$ 30,973,960
54	66230100	Cust Serv Ex-Serv Order ICSC-C	Financial DB	\$ 268,861,995		\$ 268,861,995			\$ 268,861,995
55	66231600	Cust Serv-Bus Center-Training	Financial DB	\$ 487,650	\$ 487,650				\$ 487,650
56	B62341	CUST SERVICES-CUST CONTACTS-BUS SO PROCESSING	Financial DB	\$ 621,280	\$ 621,280				\$ 621,280
57	B62346	CUST SERVICES-CUST CONTACTS-PHONE MART OPER	Financial DB	\$ 28,096	\$ 28,096				\$ 28,096
58	B62342	CUST SERVICES-CUST CONTACTS-RES SO PROCESSING	Financial DB	\$ 1,675,895	\$ 1,675,895				\$ 1,675,895
59	66236200	Cust Serv-Pub Tel Agent Com-R	Financial DB	\$ 22,449,311	\$ 22,449,311				\$ 22,449,311
60	66231700	Cust Serv-Residence-Training	Financial DB	\$ 73,553	\$ 73,553				\$ 73,553
61	662310	CUSTOMER ACCOUNTING	Financial DB	\$ 41,329,663	\$ 41,329,663				\$ 41,329,663
62	662347	CUSTOMER INSTRUCTIONS	Financial DB	\$ 55	\$ 55				\$ 55
63	B62315	CUSTOMER SERVICE-INTERNAL BILLING & COLLECTION	Financial DB	\$ 285,477			\$ 285,477		\$ -
64	B62330	CUSTOMER SERVICES ADMINISTRATION	Financial DB	\$ 497,410			\$ 497,410		\$ -
65	B62360	CUSTOMER SERVICE-VOICE MESSAGING	Financial DB	\$ 9,604	\$ 9,604				\$ 9,604
66	662350	DEAF/TDD TRUST - LIFELINE	Financial DB	\$ 711,869	\$ 711,869				\$ 711,869
67	662327	HOTEL/MOTEL COMMISSIONS-INTERSTATE	Financial DB	\$ (73,828)	\$ (73,828)				\$ (73,828)
68	662391	IXC PAYMENT AND COLLECTION EXPENSES	Financial DB	\$ 2,344,362		\$ 2,344,362			\$ 2,344,362
69	662348	IXC SERVICES-BILLING INQUIRY/TREATMENT	Financial DB	\$ 1,818,974		\$ 1,818,974			\$ 1,818,974
70	662343	IXC SERVICES-ORDER PROCESSING	Financial DB	\$ 19,699,771		\$ 19,699,771			\$ 19,699,771
71	662319	MAIL SERVICES EXPENSE	Financial DB	\$ 486,620			\$ 486,620		\$ -
72	662395	MISCELLANEOUS CUSTOMER SERVICES EXPENSE	Financial DB	\$ 7,194,189			\$ 7,194,189		\$ -
73	B62354	OTHER BILL PROCESSING	Financial DB	\$ 922,449			\$ 922,449		\$ -
74	B62349	OTHER CUSTOMER CONTACT	Financial DB	\$ (2)	\$ (2)				\$ (2)
75	B30085	PROD SALES EXP-CUSTOMER TRAINING	Financial DB	\$ 2,542,933	\$ 2,542,933				\$ 2,542,933
76	B62325	PUBLIC TELEPHONE COMMISSIONS	Financial DB	\$ 16,493,556	\$ 16,493,556				\$ 16,493,556
77	662325	PUBLIC TELEPHONE COMMISSIONS-STATE	Financial DB	\$ 1,272,080	\$ 1,272,080				\$ 1,272,080
78	662361	REGULATED BUSINESS SVC ORDER PROCESSING	Financial DB	\$ 27,113,338	\$ 27,113,338				\$ 27,113,338
79	662317	REGULATED CUSTOMER ACCOUNTING EXPENSE	Financial DB	\$ (1,372,551)			\$ (1,372,551)		\$ -
80	662320	REGULATED PHONE MART OPERATION-LG	Financial DB	\$ 172,669	\$ 172,669				\$ 172,669
81	662362	REGULATED RESIDENTIAL SVC ORDER PROCESSING	Financial DB	\$ (782,204)	\$ (782,204)				\$ (782,204)
82	66236300	Tel Relay Svc Exp	Financial DB	\$ 17,766,948			\$ 17,766,948		\$ -
83	662354	TELEPHONE RELAY SERVICE - INTERSTATE	Financial DB	\$ 8,198,042			\$ 8,198,042		\$ -
84	662311	TOLL INVESTIGATION	Financial DB	\$ 5,780,130			\$ 5,780,130		\$ -
85	66230500	North Only-No Desc Available	Financial DB	\$ 2,677,668			\$ 2,677,668		\$ -
86	Various	Customer Services	Financial DB	\$ 66,921,143	\$ 66,921,143				\$ 66,921,143

AVOIDED COST / RESALE DISCOUNT STUDY - 2005 EXPENSES
Percent Avoided Customer Service - Account 6623 WITHOUT Billing Operations
Total Verizon

USOA Account 6623 contains expenses for two primary functions: Customer Services and Billing Operations. The Financial Accounting Systems provide a short description of sub-accounts that flow to the USOA 6623. For the Customer Services functions, Verizon sorts these account descriptions into Retail, Wholesale, and Unspecified Categories. Retail includes costs associated with servicing retail end users including Business/Residence Customers or Public PayPhone Customers. Wholesale includes costs associated with servicing carriers and include IXC (Interexchange Carriers), ICSC (Interconnection Service Center), CA (Carrier Access), etc. Unspecified would be anything that in general would provide administrative services for retail and/or wholesale services, or for Billing Operations that will be determined in the secondary analysis for USOA 6623.

Customer Services Only Portion of 6623				ADJUSTMENT NO. 5A IF NO. 5 IS NOT ADOPTED ¹				
				Amount Assigned to:				
Line #	Acct #	Regulatory Account	Source	EOY 2005 Totals	Retail	Wholesale	Unspecified as Retail or Wholesale	6623 Direct Customer Service
A	B	C	D	E	F	G	H *	I = F + G
87	66232000	Cs Sr Ex-Ac Mn & Cs Bl-In&Sp-C	Financial DB	\$ 171,917,292	\$ 171,917,292			\$ 171,917,292
88		Grand Total	Sum (15..87)	\$ 2,367,009,515	\$ 1,836,408,632	\$ 326,808,550	\$ 203,792,333	\$ 2,163,217,182
89		Percent Avoided of Customer Services	Total F / Total I		84.89%			
91		Percent of 6623 determined to be Billing Operations	Special Study		12.88%			
92		Percent of 6623 determined to be Customer Services	1 - Line 91		87.12%			
93		Percent of Billing Operations Retail (Avoided)	Special Study (Line 93 - Line 91) + (Line 92 * Line 89)		75.30%			
94		Total 6623 Avoided			83.66%			
ADJUSTMENT NO. 5			USE RETAIL PERCENTAGE IN VZ MA ARMIS REPORT (43-03) FOR ACCOUNT 6623		93%			

¹ Adjustment No. 5A is an alternative adjustment if the DTE does not adopt CLEC Coalition Adjustment No. 5. Customer Accounting expenses (Verizon West) in Account 662310 (Line 61) should be reclassified as Retail costs rather than Unspecified to be consistent with Verizon East's classification of Customer Accounting costs in Line 38, account 66231000, Cs Sr Ex-Ac Mnt & Cst Blg-EU-C. Expenses in account 66230500, North Only- No Desc Available, (Line 85) should be reclassified as Unspecified since there is no description of the expense in the account name.

Data Run Date: 08/24/2006

FCC Report 43-03, the ARMIS Joint Cost Report

Table I. Regulated/Nonregulated Data

Verizon NE - Massachusetts

Row	Row Title	Y2005 Total (b)	Y2005 Direct: Regulated (c)	Y2005 Direct: Nonreg. (d)	Y2005 Indirect: Regulated (e)	Y2005 Indirect: Nonreg. (f)	Y2005 Generally Allocated: Regulated (g)	Y2005 Generally Allocated: Nonreg. (h)	Y2005 Total Regulated (i)	Y2005 Total Nonregulated (j)	% REGULATED	Y2005 Adjustments (k)	Y2005 Subject to Separation (m)
5001	Basic area revenue	777,987	777,987						777,987			0	
5040	Private line revenue	70,660	70,660						70,660			0	
5060	Other basic area revenue	244,314	244,314						244,314			0	
520	Local network service revenue	1,092,962	1,092,962						1,092,962			0	1,092,962
5081	End user revenue	279,071	279,071						279,071			1,792	277,279
5082	Switched access revenue	105,755	105,755						105,755			29	105,726
5083	Special access revenue	439,139	439,139						439,139			0	439,139
522	Network access services revenues	823,964	823,964						823,964			1,821	822,143
5100	Long distance message revenue	207,761	207,761						207,761			0	207,761
5230	Directory revenue	30,839	30,839						30,839			0	
526	Miscellaneous revenue	216,817	216,817						216,817			0	
527	Total miscellaneous revenues	247,657	247,657						247,657			0	247,657
5280	Nonregulated operating revenue	133,292		133,292						133,292			
5300	Uncollectible revenue	10,309	0	0	9,666	644	0	0	9,666	644		19	9,647
530	Total Operating Revenues	2,495,326	2,372,344	133,292	-9,666	-644	0	0	2,362,678	132,648		1,803	2,360,876
6112	Motor vehicles expense	690	0	0	622	68	0	0	622	68		0	
6113	Aircraft expense	646	0	0	593	53	0	0	593	53		0	
6114	Tools and other work equipment	3,150	0	0	2,943	207	0	0	2,943	207		0	
6110	Network support expenses	4,486	0	0	4,158	328	0	0	4,158	328		0	4,158
6121	Land and building expense	89,379	20,412	0	66,855	2,113	0	0	87,267	2,113		0	
6122	Furniture and artwork expense	1,499	0	0	1,403	96	0	0	1,403	96		0	
6123	Office equipment expense	5,574	0	0	5,224	350	0	0	5,224	350		0	
6124	General purpose computers expense	48,208	6,690	288	29,831	1,657	9,262	481	45,783	2,425		0	
6120	General support expenses	144,660	27,102	288	103,313	4,215	9,262	481	139,677	4,983		391	139,286
6211	Non-digital switching expense	2,445	2,445	0	0	0	0	0	2,445	0		0	
6212	Digital electronic switching expense	72,661	72,543	117	0	0	0	0	72,543	117		0	
6210	Central office switching expense	75,105	74,988	117	0	0	0	0	74,988	117		90	74,898
6220	Operator systems expenses	205	197	8	0	0	0	0	197	8		0	197
6231	Radio systems expense	64	64	0	0	0	0	0	64	0		0	
6232	Circuit equipment expense	52,604	52,529	75	0	0	0	0	52,529	75		0	
6230	Central office transmission expenses	52,668	52,593	75	0	0	0	0	52,593	75		0	52,593
6311	Station apparatus expense	0	0	0	0	0	0	0	0	0		0	
6341	Large private branch exchange expense	0	0	0	0	0	0	0	0	0		0	
	Public telephone terminal equipment expense	5,435	0	5,435	0	0	0	0	0	5,435		0	
6351	expense	5,435	0	5,435	0	0	0	0	0	5,435		0	
6362	Other terminal equipment expense	58,616	15,609	36,345	2,585	4,078	0	0	18,194	40,422		0	
	Information originating/terminating expenses	64,051	15,609	41,780	2,585	4,078	0	0	18,194	45,857		0	18,194
6411	Poles expense	2,207	0	0	2,196	11	0	0	2,196	11		0	
6421	Aerial cable expense	238,681	238,681	0	0	0	0	0	238,681	0		0	
6422	Underground cable expense	36,315	36,315	0	0	0	0	0	36,315	0		0	
6423	Buried cable expense	13,657	13,657	0	0	0	0	0	13,657	0		0	

Data Run Date: 08/24/2006

FCC Report 43-03, the ARMIS Joint Cost Report

Table I. Regulated/Nonregulated Data

Verizon NE - Massachusetts

Row	Row Title	Y2005 Total (b)	Y2005 Direct: Regulated (c)	Y2005 Direct: Nonreg. (d)	Y2005 Indirect: Regulated (e)	Y2005 Indirect: Nonreg. (f)	Y2005 Generally Allocated: Regulated (g)	Y2005 Generally Allocated: Nonreg. (h)	Y2005 Total Regulated (i)	Y2005 Total Nonregulated (j)	% REGULATED	Y2005 Adjustments (k)	Y2005 Subject to Separation (m)
6424	Submarine and deep sea cable expense	2	2	0	0	0	0	0	2	0		0	
6426	Intrabuilding network cable expense	2,769	2,769	0	0	0	0	0	2,769	0		0	
6431	Aerial wire expense	0	0	0	0	0	0	0	0	0		0	
6441	Conduit systems expense	11,092	0	0	11,078	14	0	0	11,078	14		0	
6410	Cable and wire facilities expenses	304,723	291,424	0	13,274	25	0	0	304,698	25		0	304,698
6511	PHFTU expense	0	0	0	0	0	0	0	0	0		0	
6512	Provisioning expense	5,365	0	0	5,198	167	0	0	5,198	167	96.9%	0	
6510	Other property, plant and equipment expenses	5,365	0	0	5,198	167	0	0	5,198	167		0	5,198
6531	Power expense	33,541	0	0	33,243	298	0	0	33,243	298		0	
6532	Network administration expense	35,528	34,160	692	662	14	0	0	34,822	706		0	
6533	Testing expense	40,201	39,157	1,044	0	0	0	0	39,157	1,044		0	
6534	Plant operations administration expense	99,987	0	24	92,237	7,727	0	0	92,237	7,751		0	
6535	Engineering expense	23,420	3,853	2,067	17,319	181	0	0	21,172	2,247		0	
6530	Network operations expenses	232,677	77,170	3,826	143,461	8,220	0	0	220,631	12,046		98	220,534
6540	Access expense	114,263	114,263	0	0	0	0	0	114,263	0	100.0%	0	114,263
6561	Depreciation-TPIS expense	758,200	15,188	4,288	735,538	3,185	0	0	750,726	7,474		0	
6562	Depreciation-PHFTU expense	0	0	0	0	0	0	0	0	0		0	
6563	Amortization-tangible expense	9,244	0	0	8,870	374	0	0	8,870	374		0	
6564	Amortization-intangible expense	50,904	0	0	48,693	2,211	0	0	48,693	2,211		0	
6565	Amortization-other expense	0	0	0	0	0	0	0	0	0		0	
6560	Depreciation/Amortization expenses	818,348	15,188	4,288	793,101	5,771	0	0	808,289	10,059		600	807,690
6611	Product management and sales expense	90,259	81,545	2,642	201	16	5,478	377	87,224	3,035	96.6%	0	
6613	Product advertising expense	10,794	5,681	332	0	0	4,501	281	10,182	613	94.3%	0	
6610	Marketing expense	101,054	87,226	2,974	201	16	9,979	658	97,406	3,648	96.4%	46	97,360
6621	Call completion expense	9,113	8,641	472	0	0	0	0	8,641	472	94.8%	0	
6622	Number services expense	46,601	37,783	8,818	0	0	0	0	37,783	8,818	81.1%	0	
6623	% Customer service - Wholesale	7											
6623	% Customer service - Retail	93											
6623	Customer services expense	204,372	176,703	15,113	11,912	644	0	0	188,615	15,757	92.3%	0	
6620	Services expenses	260,085	223,126	24,403	11,912	644	0	0	235,038	25,047	90.4%	148	234,890
6720	General & administrative	351,980	8,588	3,617	181,079	12,364	139,213	7,118	328,880	23,099	93.4%	58	328,823
6790	Provision for uncollectible note	0	0	0	0	0	0	0	0	0		0	0
720	Total Operating Expenses	2,529,671	987,475	81,375	1,258,284	35,827	158,453	8,257	2,404,212	125,459		1,430	2,402,782
7100	Other operating income and expense	3,122	1,566	0	2,472	26	-902	-39	3,135	-13		0	3,135
7210	Operating investment tax credit-net	1,353	0	0	1,336	17	0	0	1,336	17		0	
7220	Operating federal income taxes	46,077	0	0	42,230	3,847	0	0	42,230	3,847		0	
7230	Operating state and local income taxes	12,440	0	0	10,601	1,839	0	0	10,601	1,839		0	
7240	Operating other taxes	41,851	1,796	0	39,570	485	0	0	41,366	485		0	
7250	Provision for deferred operating income taxes - net	-137,148	0	0	-133,699	-3,449	0	0	-133,699	-3,449		0	
7200	Operating taxes	-38,134	1,796	0	-42,635	2,705	0	0	-40,839	2,705		-10,447	-30,392

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Table I. Regulated/Nonregulated Data

Verizon NE - Massachusetts

Row	Row Title	Y2005 Total (b)	Y2005 Direct: Regulated (c)	Y2005 Direct: Nonreg. (d)	Y2005 Indirect: Regulated (e)	Y2005 Indirect: Nonreg. (f)	Y2005 Generally Allocated: Regulated (g)	Y2005 Generally Allocated: Nonreg. (h)	Y2005 Total Regulated (i)	Y2005 Total Nonregulated (j)	% REGULATED	Y2005 Adjustments (k)	Y2005 Subject to Separation (m)
7300	Nonoperating income and expense	33,188	24,969	0	8,029	308	-112	-6	32,886	302		24,970	7,916
7500	Interest & related items	120,446	0	0	118,925	1,521	0	0	118,925	1,521		5,150	113,775
7600	Extraordinary items	0	0	0	0	0	0	0	0	0		0	0
7910	Income effect of jurisdictional ratemaking difference - net	15,009	15,009						15,009			0	15,009
7990	Nonregulated net income	0		0		0		0		0			
750	Total Expenses	2,560,664	947,727	81,375	1,324,073	39,718	159,468	8,303	2,431,268	129,396			
2111	Land	24,936	0	0	24,354	583	0	0	24,354	583		0	
2112	Motor vehicles	95,186	0	0	86,286	8,901	0	0	86,286	8,901		0	
2113	Aircraft	0	0	0	0	0	0	0	0	0		0	
2114	Tools and other work equipment	60,287	0	0	59,462	825	0	0	59,462	825		0	
2121	Buildings	757,183	187,266	0	553,059	16,858	0	0	740,325	16,858		0	
2122	Furniture	7,724	0	0	7,221	503	0	0	7,221	503		0	
2123	Office equipment	10,672	0	0	9,977	695	0	0	9,977	695		0	
2124	General purpose computers	115,149	-1,834	1,277	81,920	6,446	25,809	1,531	105,894	9,254		0	
2110	Land and support assets	1,071,137	185,432	1,277	822,277	34,811	25,809	1,531	1,033,518	37,619		-3,132	1,036,650
2211	Non-digital switching	0	0	0	0	0	0	0	0	0		0	0
2212	Digital electronic switching	2,032,498	1,993,106	39,392	0	0	0	0	1,993,106	39,392		-19,241	2,012,347
2210	Central office switching	2,032,498	1,993,106	39,392	0	0	0	0	1,993,106	39,392		-19,241	2,012,347
2220	Operator systems	13,458	12,766	692	0	0	0	0	12,766	692		-1,739	14,505
2231	Radio systems	4,474	4,474	0	0	0	0	0	4,474	0		129	4,345
2232	Circuit equipment	2,951,932	2,946,404	5,528	0	0	0	0	2,946,404	5,528		15,534	2,930,870
2230	Central Office Transmission	2,956,406	2,950,878	5,528	0	0	0	0	2,950,878	5,528		15,663	2,935,215
2311	Station apparatus	0	0	0	0	0	0	0	0	0		0	
2321	Customer premises wiring	0	0	0	0	0	0	0	0	0		0	
2341	Large private branch exchanges	0	0	0	0	0	0	0	0	0		0	
2351	Public telephone terminal equipment	26,679	0	26,679	0	0	0	0	0	26,679		0	
2362	Other terminal equipment	213,578	199,449	14,129	0	0	0	0	199,449	14,129		0	
2310	Information origination/termination	240,257	199,449	40,808	0	0	0	0	199,449	40,808		5,970	193,478
2411	Poles	375,157	0	0	372,226	2,931	0	0	372,226	2,931		0	
2421	Aerial cable	2,229,557	2,212,135	17,422	0	0	0	0	2,212,135	17,422		0	
2422	Underground cable	1,100,702	1,098,708	1,994	0	0	0	0	1,098,708	1,994		0	
2423	Buried cable	210,376	210,307	69	0	0	0	0	210,307	69		0	
2424	Submarine and deep sea cable	3,692	3,692	0	0	0	0	0	3,692	0		0	
2426	Intrabuilding network cable	38,097	38,096	2	0	0	0	0	38,096	2		0	
2431	Aerial wire	0	0	0	0	0	0	0	0	0		0	
2441	Conduit systems	766,256	0	0	764,868	1,388	0	0	764,868	1,388		0	
2410	Cable and wire facilities	4,723,838	3,562,938	19,487	1,137,093	4,320	0	0	4,700,032	23,807		102,023	4,598,009
2681	Capital leases	0	0	0	0	0	0	0	0	0		0	
2682	Leasehold improvements	8,999	0	0	8,522	477	0	0	8,522	477		0	
2680	Amortizable tangible assets	8,999	0	0	8,522	477	0	0	8,522	477		-2,386	10,909
2690	Intangibles	64,691	0	3,027	60,969	696	0	0	60,969	3,723		-18,157	79,126

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FCC Report 43-03, the ARMIS Joint Cost Report **Table I. Regulated/Nonregulated Data**

Verizon NE - Massachusetts

Row	Row Title	Y2005 Total (b)	Y2005 Direct: Regulated (c)	Y2005 Direct: Nonreg. (d)	Y2005 Indirect: Regulated (e)	Y2005 Indirect: Nonreg. (f)	Y2005 Generally Allocated: Regulated (g)	Y2005 Generally Allocated: Nonreg. (h)	Y2005 Total Regulated (i)	Y2005 Total Nonregulated (j)	% REGULATED	Y2005 Adjustments (k)	Y2005 Subject to Separation (m)
2001	TPIS	11,111,285	8,904,569	110,210	2,028,861	40,304	25,809	1,531	10,959,239	152,045		79,001	10,880,238
2002	PHFTU	146	182	0	-36	-1	0	0	147	-1		0	146
2003	TPUC	156,688	16,478	17,342	120,799	2,069	0	0	137,277	19,411		2,080	135,197
2005	Plant acquisition adjustments	0	0	0	0	0	0	0	0	0		0	0
1220	Inventories	18,662	0	519	18,018	126	0	0	18,018	645		-1,025	19,043
1410	Other noncurrent assets	396,172	294,156	0	95,071	6,945	0	0	389,227	6,945		278,321	110,905
1438	Deferred maintenance, retirements and other deferred charges	-316,039	-316,039	0	0	0	0	0	-316,039	0		-316,039	0
1500	Other jurisdictional assets-net	-282,415	-282,415	0	0	0	0	0	-282,415	0		12,081	-294,496
230	IS cash working capital												24,499
370	Total Investment	11,084,499	8,616,931	128,071	2,262,713	49,444	25,809	1,531	10,905,453	179,046		54,419	10,875,533
3100	Accumulated depreciation	7,556,041	3,786,525	55,029	3,693,266	21,221	0	0	7,479,791	76,250		251,970	7,227,821
3200	Accumulated depreciation - PHFTU	2	0	0	2	0	0	0	2	0		0	2
3410	Accumulated amortization - capitalized leases	0	0	0	0	0	0	0	0	0		0	0
4100	Net current deferred operating income taxes	1,450	0	0	1,351	99	0	0	1,351	99		-1,061	2,413
4340	Net noncurrent deferred operating income taxes	265,065	0	0	283,740	-18,675	0	0	283,740	-18,675		-44,305	328,045
4040	Customers deposits	171	0	0	149	21	0	0	149	21		3	146
4300	Other long-term liabilities and deferred credits	1,835,301	446,592	0	973,353	71,108	324,967	19,282	1,744,912	90,390		708,164	1,036,748
4370	Other jurisdictional liabilities and deferred credits - net	-110,532	-110,532	0	0	0	0	0	-110,532	0		4,736	-115,268
495	Total Reserve	9,547,498	4,122,585	55,029	4,951,862	73,774	324,967	19,282	9,399,413	148,085		919,506	8,479,907